

Grand Street Settlement, Inc.

Consolidated Financial Statements

June 30, 2021 and 2020

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Independent Auditors' Report

Board of Directors Grand Street Settlement, Inc.

We have audited the accompanying consolidated financial statements of Grand Street Settlement, Inc. and Subsidiary, which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Grand Street Settlement, Inc. and Subsidiary as of June 30, 2021 and 2020, and the consolidated changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Consolidating Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules on pages 22 through 25 are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies, 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 consolidating information has been subjected to the auditing procedures applied in the audits 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.

PKF O'Connor Davies, LLP
December 22, 2021

Grand Street Settlement, Inc. and Subsidiary

Consolidated Statements of Financial Position

	June 30,	
	<u>2021</u>	<u>2020</u>
ASSETS		
Cash	\$ 788,871	\$ 2,926,471
Contributions receivable, net	2,025,708	662,670
Due from government agencies, net	8,176,435	5,661,947
Prepaid expenses and other assets	220,375	267,559
Investments	8,284,283	6,877,058
Property and equipment, net	<u>5,279,683</u>	<u>4,321,011</u>
	<u>\$ 24,775,355</u>	<u>\$ 20,716,716</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and other liabilities	\$ 1,512,611	\$ 1,532,506
Accrued payroll and related liabilities	798,760	950,151
Line of credit payable	650,000	250,000
Deferred revenue	6,535	6,535
Advances from government agencies	670,349	323,123
Long term debt	<u>4,263,025</u>	<u>4,343,025</u>
Total Liabilities	<u>7,901,280</u>	<u>7,405,340</u>
Net Assets		
Without donor restrictions	9,702,626	7,881,466
With donor restrictions	<u>7,171,449</u>	<u>5,429,910</u>
Total Net Assets	<u>16,874,075</u>	<u>13,311,376</u>
	<u>\$ 24,775,355</u>	<u>\$ 20,716,716</u>

See notes to consolidated financial statements

Grand Street Settlement, Inc. and Subsidiary

Consolidated Statements of Activities

	Year Ended June 30,	
	2021	2020
NET ASSETS WITHOUT DONOR RESTRICTIONS		
PUBLIC SUPPORT AND REVENUE		
Government grants	\$ 27,317,666	\$ 24,066,418
Contributions	489,723	522,579
Special events, net of direct benefit to donors of \$8,585 and \$39,080	83,197	16,138
Donated occupancy and services	2,600,365	2,938,663
Program service fees	-	65,554
Investment return designated for current use	188,407	161,355
Miscellaneous income	60,124	153,356
Net assets released from restrictions	<u>2,221,502</u>	<u>2,350,252</u>
Total Public Support and Revenue	<u>32,960,984</u>	<u>30,274,315</u>
EXPENSES		
Program Services		
Early childhood programs	15,475,465	14,340,030
Youth services	1,991,905	1,917,416
School-based counseling services	1,502,630	1,388,375
Case management	245,532	275,519
Community development	7,233,196	6,800,457
Senior programs	1,056,985	1,052,472
Mental health initiative	48,712	71,911
GrandLo Café, Inc.	9,875	464,891
Total Program Services	<u>27,564,300</u>	<u>26,311,071</u>
Supporting Services		
Management and general	4,103,368	3,170,223
Fundraising	682,097	751,718
Total Supporting Services	<u>4,785,465</u>	<u>3,921,941</u>
Total Expenses	<u>32,349,765</u>	<u>30,233,012</u>
Excess of Public Support and Revenue Over Expenses	611,219	41,303
NON-OPERATING ACTIVITIES		
Government grants for capital purpose	-	631,272
Investment return, net of amount designated for current use	<u>1,209,941</u>	<u>(84,595)</u>
Change in Net Assets Without Donor Restrictions	1,821,160	587,980
Net Assets Without Donor Restrictions		
Beginning of year	<u>7,881,466</u>	<u>7,293,486</u>
End of year	<u>\$ 9,702,626</u>	<u>\$ 7,881,466</u>
NET ASSETS WITH DONOR RESTRICTIONS		
PUBLIC SUPPORT AND REVENUE		
Contributions	\$ 3,585,699	\$ 1,937,246
Investment return	377,342	48,022
Net assets released from restrictions	<u>(2,221,502)</u>	<u>(2,350,252)</u>
Change in Net Assets With Donor Restrictions	1,741,539	(364,984)
Net Assets With Donor Restrictions		
Beginning of year	<u>5,429,910</u>	<u>5,794,894</u>
End of year	<u>\$ 7,171,449</u>	<u>\$ 5,429,910</u>
Total Change in Net Assets	\$ 3,562,699	\$ 222,996
NET ASSETS		
Beginning of year	<u>13,311,376</u>	<u>13,088,380</u>
End of year	<u>\$ 16,874,075</u>	<u>\$ 13,311,376</u>

See notes to consolidated financial statements

Grand Street Settlement, Inc. and Subsidiary

Consolidated Statement of Functional Expenses
Year Ended June 30, 2021

	Program Services								Supporting Services			Total	
	Early Childhood Programs	Youth Services	School-Based Counseling Services	Case Management	Community Development	Senior Programs	Mental Health Initiative	GrandLo Café, Inc.	Total Program Services	Management and General	Fundraising		Total Supporting Services
PERSONNEL COSTS													
Salaries	\$ 5,867,717	\$ 1,143,689	\$ 843,570	\$ 189,483	\$ 4,247,083	\$ 634,900	\$ 18,713	\$ -	\$ 12,945,155	\$ 1,270,504	\$ 468,473	\$ 1,738,977	\$ 14,684,132
Employee benefits and payroll related taxes	1,573,149	315,410	232,645	52,257	1,165,997	175,677	5,161	-	3,520,296	345,740	128,396	474,136	3,994,432
Total Personnel Costs	7,440,866	1,459,099	1,076,215	241,740	5,413,080	810,577	23,874	-	16,465,451	1,616,244	596,869	2,213,113	18,678,564
OTHER THAN PERSONNEL COSTS													
Program supplies	1,029,756	237,703	63,541	864	701,888	39,673	4,179	-	2,077,604	41,065	6,050	47,115	2,124,719
Office rent and occupancy expense	473,125	12,176	582	-	52,367	15,184	354	783	554,571	257,622	512	258,134	812,705
Donated occupancy and services	2,204,684	-	-	-	270,619	79,520	-	-	2,554,823	45,562	-	45,562	2,600,385
Repairs and maintenance	104,570	-	-	-	24,038	20,427	3,140	-	152,175	5,759	-	5,759	157,934
Equipment	63,456	75,535	4,667	2,928	131,190	7,006	3,250	-	288,032	94,331	10,730	105,061	393,093
Office expense	6,271	-	-	-	41	-	-	-	6,312	406	7,018	7,424	13,736
Staff travel	4,953	580	1,751	-	843	1,026	-	-	9,153	11,786	42	11,828	20,981
Professional services	15,075	6,259	2,239	-	12,575	-	-	-	36,148	987,592	350	987,942	1,024,090
Consultant	3,483,081	43,255	93,899	-	140,450	64,338	11,252	-	3,836,275	273,881	37,875	311,756	4,148,031
Dues and fees	14,010	320	-	-	200	-	-	-	14,530	14,465	-	14,465	28,995
Food	108,377	11,717	21,284	-	63,937	7,512	147	-	212,974	2,883	3,489	6,372	219,346
Hospitality expense	12,752	-	-	-	-	132	-	-	12,884	10,148	5,256	15,404	28,288
Parent and participant activity	24,889	113,350	34,689	-	121,278	52	2,500	-	296,758	7,251	-	7,251	304,009
Insurance	-	650	7,495	-	5,843	-	-	-	13,988	280,830	-	280,830	294,818
Printing	2,698	1,384	7,923	-	1,183	4,692	-	-	17,880	9,922	3,961	13,883	31,763
Postage	154	69	198	-	-	-	16	-	437	355	2,950	3,305	3,742
Conferences and training	212,485	678	580	-	15,577	-	-	-	229,320	500	1,474	1,974	231,294
Services	9,595	6,321	75	-	3,543	-	-	-	19,534	1,732	-	1,732	21,266
Bank charges and other fees	-	2,047	-	-	-	-	-	-	2,047	66,756	3,836	70,592	72,639
Bad debt expense	248,700	20,634	158,142	-	272,723	6,846	-	-	707,045	65,345	-	65,345	772,390
Miscellaneous expense	15,569	128	21,029	-	1,821	-	-	-	38,547	92,048	1,973	94,021	132,568
Depreciation	-	-	-	-	-	-	-	9,092	9,092	216,835	-	216,835	225,927
Special events	399	-	8,321	-	-	-	-	-	8,720	50	8,297	8,347	17,067
Total Expenses Before Expenses of Direct Benefit to Donors	15,475,465	1,991,905	1,502,630	245,532	7,233,196	1,056,985	48,712	9,875	27,564,300	4,103,368	690,682	4,794,050	32,358,350
Direct benefit to donors	-	-	-	-	-	-	-	-	-	-	(8,585)	(8,585)	(8,585)
Total Expenses	\$ 15,475,465	\$ 1,991,905	\$ 1,502,630	\$ 245,532	\$ 7,233,196	\$ 1,056,985	\$ 48,712	\$ 9,875	\$ 27,564,300	\$ 4,103,368	\$ 682,097	\$ 4,785,465	\$ 32,349,765

Grand Street Settlement, Inc. and Subsidiary

Consolidated Statement of Functional Expenses
Year Ended June 30, 2020

	Program Services									Supporting Services			Total
	Early Childhood Programs	Youth Services	School-Based Counseling Services	Case Management	Community Development	Senior Programs	Mental Health Initiative	GrandLo Café, Inc.	Total Program Services	Management and General	Fundraising	Total Supporting Services	
PERSONNEL COSTS													
Salaries	\$ 5,626,646	\$ 1,101,151	\$ 810,674	\$ 208,441	\$ 4,406,979	\$ 604,639	\$ 38,076	\$ 171,792	\$ 12,968,398	\$ 940,673	\$ 485,894	\$ 1,426,567	\$ 14,394,965
Employee benefits and payroll related taxes	<u>1,455,627</u>	<u>277,831</u>	<u>204,141</u>	<u>52,586</u>	<u>1,110,607</u>	<u>156,199</u>	<u>9,442</u>	<u>34,118</u>	<u>3,300,551</u>	<u>196,947</u>	<u>122,317</u>	<u>319,264</u>	<u>3,619,815</u>
Total Personnel Costs	7,082,273	1,378,982	1,014,815	261,027	5,517,586	760,838	47,518	205,910	16,268,949	1,137,620	608,211	1,745,831	18,014,780
OTHER THAN PERSONNEL COSTS													
Program supplies	795,187	157,559	135,418	2,542	324,327	39,902	15,982	17,875	1,488,792	150,726	5,647	156,373	1,645,165
Office rent and occupancy expense	200,697	11,230	1,243	-	34,969	21,217	-	31,711	301,067	191,114	1,243	192,357	493,424
Donated occupancy and services	2,542,981	-	-	-	270,600	79,520	-	-	2,893,101	45,562	-	45,562	2,938,663
Repairs and maintenance	49,609	-	-	-	-	7,027	-	4,694	61,330	44,372	-	44,372	105,702
Equipment	131,089	65,803	2,110	7,959	94,843	11,596	577	4,923	318,900	-	24,808	24,808	343,708
Office expense	596	-	-	1,190	-	-	-	1,594	3,380	446	6,236	6,682	10,062
Staff travel	11,898	1,320	1,595	-	2,649	-	-	3,217	20,679	16,945	1,077	18,022	38,701
Professional services	-	-	-	-	-	-	-	101	101	1,000,516	-	1,000,516	1,000,617
Consultant	3,025,762	53,334	159,149	-	172,602	41,490	2,500	19,151	3,473,988	182,708	74,817	257,525	3,731,513
Dues and fees	19,414	-	-	-	983	-	-	10,085	30,482	26,407	2,775	29,182	59,664
Food	226,639	46,556	23,390	-	48,243	80,149	-	25,293	450,270	19,291	3,629	22,920	473,190
Hospitality expense	3,781	-	-	-	-	-	-	-	3,781	5,339	831	6,170	9,951
Parent and participant activity	39,953	170,380	31,007	-	241,078	2,395	-	70,140	554,953	1,343	1,281	2,624	557,577
Insurance	90,542	17,070	13,194	2,752	59,810	7,561	5,334	4,754	201,017	29,626	4,010	33,636	234,653
Printing	388	104	3,360	-	714	-	-	762	5,328	1,036	9,036	10,072	15,400
Postage	5,205	188	-	-	254	75	-	-	5,722	1,231	6,601	7,832	13,554
Conferences and training	97,375	10,787	1,738	-	22,196	614	-	3,132	135,842	56,323	5,142	61,465	197,307
Services	8,793	3,437	-	49	7,735	88	-	1,796	21,898	863	53	916	22,814
Bank charges and other fees	428	-	-	-	-	-	-	5,869	6,297	78,836	2,112	80,948	87,245
Bad debt expense	-	-	-	-	-	-	-	4,800	4,800	2,498	-	2,498	7,298
Miscellaneous expense	7,420	666	1,356	-	1,868	-	-	39,992	51,302	30,558	2,244	32,802	84,104
Depreciation	-	-	-	-	-	-	-	9,092	9,092	122,314	-	122,314	131,406
Special events	-	-	-	-	-	-	-	-	-	24,549	31,045	55,594	55,594
Total Expenses Before Expenses of Direct Benefit to Donors	14,340,030	1,917,416	1,388,375	275,519	6,800,457	1,052,472	71,911	464,891	26,311,071	3,170,223	790,798	3,961,021	30,272,092
Direct benefit to donors	-	-	-	-	-	-	-	-	-	-	(39,080)	(39,080)	(39,080)
Total Expenses	<u>\$ 14,340,030</u>	<u>\$ 1,917,416</u>	<u>\$ 1,388,375</u>	<u>\$ 275,519</u>	<u>\$ 6,800,457</u>	<u>\$ 1,052,472</u>	<u>\$ 71,911</u>	<u>\$ 464,891</u>	<u>\$ 26,311,071</u>	<u>\$ 3,170,223</u>	<u>\$ 751,718</u>	<u>\$ 3,921,941</u>	<u>\$ 30,233,012</u>

Grand Street Settlement, Inc. and Subsidiary

Consolidated Statements of Cash Flows

	Year Ended June 30,	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 3,562,699	\$ 222,996
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	225,927	131,406
Bad debt expense	772,390	7,298
Realized and unrealized gain on investments	(1,720,079)	(46,615)
Discount on contributions receivable	1,101	(3,836)
Changes in operating assets and liabilities		
Contributions receivable	(1,364,139)	190,286
Due from government agencies	(3,286,878)	(1,126,772)
Prepaid expenses and other assets	47,184	166,878
Accounts payable and other liabilities	(19,895)	528,351
Accrued payroll and related liabilities	(151,391)	(87,665)
Deferred revenue	-	3,744
Advances from government agencies	347,226	(157,958)
Net Cash from Operating Activities	(1,585,855)	(171,887)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(228,651)	(242,085)
Proceeds from sale of investments	541,505	464,766
Purchase of property and equipment	(1,184,599)	(1,373,312)
Net Cash from Investing Activities	(871,745)	(1,150,631)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term debt	4,263,025	5,082,625
Proceeds from line of credit	400,000	-
Repayment of long term debt	(4,343,025)	(1,309,600)
Net Cash from Financing Activities	320,000	3,773,025
Net Change in Cash	(2,137,600)	2,450,507
CASH		
Beginning of year	2,926,471	475,964
End of year	\$ 788,871	\$ 2,926,471
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for interest	\$ 5,958	\$ 4,106

See notes to consolidated financial statements

Grand Street Settlement, Inc. and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

1. Organization

Grand Street Settlement, Inc. (“Grand Street”), founded in 1916, provides services to 15,000 people of all ages in the Lower East Side of Manhattan and in neighborhoods across Brooklyn. These programs fall into four broad and inter-related categories: early childhood education, youth and community development, benefits assistance, and older adult services. Through these programs, Grand Street empowers individuals and families to move along a spectrum from surviving to stabilization, then strengthening, and ultimately to a place where they can thrive.

Grand Street promotes and maintains high standards in its programs, which are locally and nationally recognized for excellence. The vast majority of Grand Street’s programs are provided at no cost to participant families.

On February 1, 2018, Grand Street formed GrandLo Café, Inc. (“GrandLo”), a not-for-profit organization created as a subsidiary of Grand Street. GrandLo was formed to create pathways to meaningful employment for low-income New York City youth. On March 31, 2020, GrandLo was closed and the space was repurposed to accommodate immediate COVID-19 pandemic relief efforts.

Grand Street, a not-for-profit organization, has been granted tax-exempt status under Internal Revenue Code (the “Code”) Section 501(c)(3). In addition, Grand Street has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. GrandLo has applied for tax-exempt status under Code Section 501(c)(3).

The accompanying consolidated financial statements include the accounts of Grand Street and GrandLo, which are collectively referred to as the Settlement.

Grand Street notes several notable events in the most recently completed fiscal year:

80 Pitt St. Program Relocation

The Community Center at 80 Pitt St, Grand Street’s largest building and one of the few to offer its complete suite of services under one roof, is undergoing a long-planned capital renovation and modernization. In the spring an early summer of 2021, its programs were relocated to nearby Grand Street sites, and the building was subsequently closed for construction on July 7, 2021. Program and administration staff relocations included:

- Early Childhood: Manhattan Child and Family Center (294 and 300 Delancey St).
- Youth: AmeriCorps - Beacon Cornerstone Community Center (145 Stanton St.); Project Speak Out Loud - Rutgers Community Center (200 Madison St.); Technology Clubhouse - Best Buy Teen Tech Center (168 Broome St.); SONYC afterschool program,
- Seniors: Programs - Essex Crossing Community Center (175 Delancey St.)
- Food pantry - BEST NORC (72 Columbia St.)
- Benefits Assistance - Essex Crossing Community Center (175 Delancey St.)
- Human Resources staff - Essex Crossing Community Center (175 Delancey St.)

Grand Street Settlement, Inc. and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

1. Organization (continued)

80 Pitt St. Program Relocation (continued)

Construction is expected to be substantially complete by October, 2022, at which time these programs will reoccupy their new spaces at 80 Pitt St.

Grand Lo Café

On March 31, 2020, the GrandLo Café social enterprise job training program at 168 Broome St. was forced to close because of the pandemic. The space was immediately repurposed as the GrandLo Community Resource Center to provide COVID-19 pandemic relief efforts. On January 20, 2021, Grand Street was awarded a multiyear capital and program grant from the Best Buy to open Manhattan's first Best Buy Teen Tech Center in the 168 Broome St. space, a continuation and expansion of the Clubhouse at 80 Pitt St. The capital renovation of the space began in May, 2021, and was completed in August, 2021. Youth began participating in Teen Tech Center programs on October 4, 2021.

2. Summary of Significant Accounting Policies

Principles of Consolidation

In preparing the accompanying consolidated financial statements, all material inter-entity balances and transactions have been eliminated.

Basis of Presentation and Use of Estimates

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Classes of Net Assets

Net assets, revenue, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Net assets without donor restrictions are those currently available at the discretion of the Board for use in the operations of the Settlement. Net assets with donor restrictions are restricted by donor imposed restrictions as to use or time made available. When a restriction expires, restricted net assets are re-classified to net assets without restrictions and reported in the statements of activities as net assets released from restrictions. Certain restricted amounts contain donor imposed restrictions to be maintained in perpetuity by the Settlement.

Grand Street Settlement, Inc. and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

2. Summary of Significant Accounting Policies *(continued)*

Contributions and Promises to Give

Unconditional promises to give are recognized as revenue when donors make a promise to give. Contributions received are classified as net assets without donor restrictions or net assets with donor restrictions support depending on the existence or nature of any donor restriction. 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 the estimated future cash flows. The discounts on those amounts are computed using a risk adjusted rate of interest applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

All contributions are considered available for general use unless specifically restricted by the donor. Marketable securities contributed are recorded at fair value at the date of contribution.

Donated Occupancy and Services

Donated occupancy expense are recorded for space provided to the Settlement for program purposes for which rent is not currently being charged. The donated transactions are reviewed periodically to ensure that estimates recorded reasonably reflect the estimated fair value of contributed rent. Contributed professional services are recognized if the services create or enhance nonfinancial assets or require specialized skills, and are provided by individuals possessing those skills.

Due from Government Agencies and Allowance for Doubtful Accounts

The Settlement records revenue based on established rates or contracts for services provided. The Settlement determines whether an allowance for uncollectible amounts should be provided based on management's evaluation and collectability of the aged basis of its receivables, current economic conditions, subsequent receipts and historical information. Government contracts and accounts receivable are written off against the allowance for doubtful amounts when all reasonable collection efforts have been exhausted. As of June 30, 2021 and 2020, the allowance for doubtful accounts was \$500,000 and \$49,351 for each year.

Fair Value of Financial Instruments

The Settlement follows U.S. GAAP guidance on fair value measurement which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist. There are no level 3 investments held at June 30, 2021 and 2020.

Grand Street Settlement, Inc. and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

2. Summary of Significant Accounting Policies *(continued)*

Investment Valuation and Investment Income Recognition

Investments are carried at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of the change in net assets

Property and Equipment

Property and equipment purchases are capitalized if the cost, or fair value at date of donation, is \$1,000 or more and the useful life is greater than one year. Property and equipment is depreciated over their estimated useful lives using the straight-line method. The cost of property and equipment financed by government funding sources is expensed when incurred if the contractual agreement specifies that title to these assets rests with the governmental funding source rather than the Settlement. Construction in progress is transferred to leasehold improvements when the construction is substantially complete and the assets are placed into service. The estimated useful lives of the assets are as follows:

Leasehold improvements	15 years
Computer equipment	3 years
Furniture and fixtures	5 years

Property and equipment are reviewed for impairment if the use of the asset significantly changes or another indicator of possible impairment is identified. If the carrying amount for the asset is not recoverable, the asset is written down to the fair value. There were no asset impairments for the years ended June 30, 2021 and 2020.

Government Grants

Revenue from government grants is recognized when reimbursable expenses are incurred under the terms of the contracts. Contract payments in excess of or less than qualified expenses are accounted for as advances from government agencies or due from government agencies.

Deferred Revenue

Deferred revenue consists of cash received for summer camp that takes place after year end.

Functional Allocation of Expenses

The cost of providing the various programs and other activities has been summarized on a functional basis in the consolidated statements of activities and in the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services. Such allocations are determined by management either in accordance with grant provisions or by the division of employee time.

Grand Street Settlement, Inc. and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

2. Summary of Significant Accounting Policies *(continued)*

Operating Leases

Operating leases are classified in accordance with the terms of the underlying agreements. Operating lease payments are charged to rental expense. Deferred rent is recorded when there are material differences between the lease payments and the straight-line rent expense

Uncertainty in Income Taxes

The Settlement recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that the Settlement had no uncertain tax positions that would require financial statement recognition or disclosure. The Settlement is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to June 30, 2018.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the consolidated financial statements through the date that the consolidated financial statements were available to be issued, which date is December 22, 2021.

3. Concentration of Credit Risk

Financial instruments which potentially subject the Settlement to a concentration of credit risk are cash accounts with financial institutions in excess of federally insured limits, investments and receivables. At June 30, 2021 and 2020, the Settlement exceeded Federal Deposit Insurance Corporation limits by \$476,926 and \$2,683,971. The Settlement's investments are managed by professional management firms and are reviewed by the Board of Directors.

The Settlement grants credit without collateral relative to government contracts. The reimbursement for services provided is expected to be collected in the normal course of business.

4. Contributions Receivable

Contributions receivable at June 30, consist of the following:

	<u>2021</u>	<u>2020</u>
Contributions due:		
Within one year	\$ 1,596,993	\$ 580,498
Within two to five years	<u>430,000</u>	<u>82,356</u>
	2,026,993	662,854
Discount to present value	<u>(1,285)</u>	<u>(184)</u>
	<u>\$ 2,025,708</u>	<u>\$ 662,670</u>

A present value discount rate from the U.S Department of the Treasury Yield Curve Rate has been calculated using discount factors that approximate the risk and expected timing of future contribution payments.

Grand Street Settlement, Inc. and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

5. Investments

The Settlement's investments stated at fair value at June 30 are as follows:

	2021		
	Level 1	Level 2	Total
Equity securities	\$ 6,023,068	\$ -	\$ 6,023,068
Fixed income	<u>384,992</u>	<u>1,876,223</u>	<u>2,261,215</u>
	<u>\$ 6,408,060</u>	<u>\$ 1,876,223</u>	<u>\$ 8,284,283</u>
	2020		
	Level 1	Level 2	Total
Equity securities	\$ 4,809,613	\$ -	\$ 4,809,613
Fixed income	<u>463,770</u>	<u>1,603,675</u>	<u>2,067,445</u>
	<u>\$ 5,273,383</u>	<u>\$ 1,603,675</u>	<u>\$ 6,877,058</u>

Net investment activity for the years ended June 30, 2021 and 2020 is as follows:

	2021	2020
Interest and dividends	\$ 119,755	\$ 141,071
Realized and unrealized gain on investments	<u>1,720,079</u>	<u>46,615</u>
Total Investment Return	1,839,834	187,686
Investment advisory and custodial fees	<u>(64,144)</u>	<u>(62,904)</u>
	<u>\$ 1,775,690</u>	<u>\$ 124,782</u>
Total investment income (loss) allocated to:		
Operating revenue*	\$ 188,407	\$ 161,355
Non-operating activities*	1,209,941	(84,595)
Endowment fund*	<u>377,342</u>	<u>48,022</u>
	<u>\$ 1,775,690</u>	<u>\$ 124,782</u>

* See Note 2 (investment income recognition) for a description of the Settlement's investment income allocation policy.

Grand Street Settlement, Inc. and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

6. Property and Equipment

Property and equipment consist of the following at June 30:

	<u>2021</u>	<u>2020</u>
Leasehold improvements	\$ 492,849	\$ 492,849
Furniture, fixtures and computer equipment	2,298,396	1,755,450
Construction in progress	<u>4,318,152</u>	<u>3,676,499</u>
	7,109,397	5,924,798
Accumulated depreciation and amortization	<u>(1,829,714)</u>	<u>(1,603,787)</u>
	<u>\$ 5,279,683</u>	<u>\$ 4,321,011</u>

Construction in progress represents the costs incurred to date relating to various active projects to renovate the lower east side location at 80 Pitt Street and the project located at Essex Crossing.

In 2021, the Settlement continued renovating their lower east side location at 80 Pitt Street. This renovation focuses on upgrading the space for current accessibility requirements, fire safety standards and needed upgrades to the facilities. The Settlement anticipates that the renovation will cost approximately \$5.3 million.

The Settlement received a grant in January, 2021, from Best Buy that included \$127,000 for capital renovations of the space at 168 Broome St. to create the Best Buy Teen Tech Center. Gensler architects were selected from a competitive proposal process to design the space. The renovation was managed internally, and resulted the creation of a state-of-the-art technology space, including new equipment, computers, 3D printers, and music and video production equipment.

7. Pension Plan

The Settlement maintains a defined contribution pension plan covering all full-time employees. The Settlement's contributions are based on specified percentages of each employee's salary. Pension expense for the years ended June 30, 2021 and 2020 totaled \$356,867 and \$284,251.

8. Donated Occupancy and Services

The Settlement occupies space in a New York City Housing Authority-owned building without charge. The estimated fair rental value of these premises is \$2,537,074 and \$1,282,952 for the years ended June 30, 2021 and 2020. The Settlement also has received donated services of \$63,291 and \$265,956 for the years ended June 30, 2021 and 2020.

Grand Street Settlement, Inc. and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

9. Net Assets With Donor Restrictions

Net assets with donor restrictions at June 30 are restricted for the following purposes:

	2021			
	Net Assets June 30, 2020	Additions	Net Assets Released	Net Assets June 30, 2021
Time or Purpose Restricted				
Capital improvements	\$ 1,025,666	\$ 1,388,274	\$ 1,040,552	\$ 1,373,388
Early childhood programs	289,865	444,075	373,141	360,799
Youth programs	273,370	707,336	253,703	727,003
Prevention programs	126,656	387,500	169,176	344,980
Enterprises	5,935	197,500	38,125	165,310
Communications and development	20,000	361,014	112,844	268,170
Other	62,420	100,000	98,781	63,639
General operating	<u>165,200</u>	<u>377,342</u>	<u>135,180</u>	<u>407,362</u>
	1,969,112	3,963,041	2,221,502	3,710,651
Held in Perpetuity				
General operating	<u>3,460,798</u>	-	-	<u>3,460,798</u>
	<u>\$ 5,429,910</u>	<u>\$ 3,963,041</u>	<u>\$ 2,221,502</u>	<u>\$ 7,171,449</u>
	2020			
	Net Assets June 30, 2019	Additions	Net Assets Released	Net Assets June 30, 2020
Time or Purpose Restricted				
Capital improvements	\$ 1,010,123	\$ 394,662	\$ 379,119	\$ 1,025,666
Early childhood programs	176,370	377,825	264,330	289,865
Youth programs	139,990	315,900	182,520	273,370
Prevention programs	133,814	170,000	177,158	126,656
Enterprises	89,723	33,500	117,288	5,935
Communications and development	225,000	265,218	470,218	20,000
Other	278,440	380,141	596,161	62,420
General operating	<u>280,636</u>	<u>48,022</u>	<u>163,458</u>	<u>165,200</u>
	2,334,096	1,985,268	2,350,252	1,969,112
Held in Perpetuity				
General operating	<u>3,460,798</u>	-	-	<u>3,460,798</u>
	<u>\$ 5,794,894</u>	<u>\$ 1,985,268</u>	<u>\$ 2,350,252</u>	<u>\$ 5,429,910</u>

Grand Street Settlement, Inc. and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

10. Endowment Funds

General

The Settlement maintains various donor-restricted funds whose purpose is to provide long term support for its programs. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

On September 17, 2010, New York State adopted its version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). New York State's version of UPMIFA is known as NYPMIFA. NYPMIFA includes provisions that differ from previous law, including the elimination of the historic dollar value rule with respect to endowment spending, establishment of new standards governing the expenditure and modification of restrictions on endowment funds, and revision of the prudence standard for the management and investment of endowment funds.

Interpretation of Relevant Law

The Board of Directors of the Settlement has interpreted NYPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Settlement classified as net assets held in perpetuity (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as net assets held in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Settlement in a manner consistent with the standard of prudence prescribed by NYPMIFA.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate objectives within the established risk parameters, the Settlement's assets are divided into asset classes consisting of equities and fixed income investments.

Return Objectives and Risk Parameters

The Settlement's endowment investment policy is to invest in a multi-asset class portfolio based on an asset allocation to satisfy overall endowment financial and investment objectives such as to preserve the principal, protect against inflation, receive stable returns and achieve long term growth. The Settlement 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).

Grand Street Settlement, Inc. and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

10. Endowment Funds (continued)

Spending Policy

Spending will be at the discretion of the Board of Directors of the Settlement as determined by the governing documents for the various restricted funds that make up the portfolio and applicable federal and state laws. In order for the Settlement to meet its needs, its investment strategy emphasizes total return: that is, the aggregate return from capital appreciation, dividend and interest income. The primary objective in the investment management of assets is income and growth, to achieve a balanced return of current income and growth of principal.

The following is a reconciliation of the activity in the donor-restricted endowment funds for the years ended June 30:

	2021	
	With Donor Restrictions	To Be Held In Perpetuity
Balance, June 30, 2020	\$ 165,200	\$ 3,460,798
Interest and dividends	24,561	-
Unrealized and realized gain	352,781	-
Appropriated for expenditure	<u>(135,180)</u>	<u>-</u>
Balance, June 30, 2021	<u>\$ 407,362</u>	<u>\$ 3,460,798</u>

	2020	
	With Donor Restrictions	To Be Held In Perpetuity
Balance, June 30, 2019	\$ 280,636	\$ 3,460,798
Interest and dividends	36,095	-
Unrealized and realized gain	11,927	-
Appropriated for expenditure	<u>(163,458)</u>	<u>-</u>
Balance, June 30, 2020	<u>\$ 165,200</u>	<u>\$ 3,460,798</u>

11. Liquidity and Availability of Resources

The Settlement's working capital and cash flow are driven by the revenue streams of government contract, foundation, private donations, and annual endowment draw. The Settlement's financial assets to meet general operations over the next 12 months are \$12,103,848. Accounts receivable are expected to be collected within one year. The Settlement has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet 90 days of normal operating expense. On an annual basis the Settlement's Board of Directors designates 5% of the prior year's average monthly endowment balance to be utilized for operating expenses.

Grand Street Settlement, Inc. and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

11. Liquidity and Availability of Resources *(continued)*

The following reflects the Settlement's financial assets as of June 30, 2021 and 2020, reduced by amounts not available for general use within one year of the statements of financial position date because of contractual or donor designations. Amounts not available include restricted contributions for time and amounts held in perpetuity.

	<u>2021</u>	<u>2020</u>
Financial assets:		
Cash	\$ 788,871	\$ 2,926,471
Contributions receivable, net	2,025,708	662,670
Due from government agencies, net	8,176,435	5,661,947
Investments	<u>8,284,283</u>	<u>6,877,058</u>
Total financial assets	<u>19,275,297</u>	<u>16,128,146</u>
Less contractual or donor imposed restricted amounts:		
Restricted by donor with time or purpose restrictions	3,710,651	1,969,112
Endowment funds restricted by donor	<u>3,460,798</u>	<u>3,460,798</u>
	<u>7,171,449</u>	<u>5,429,910</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 12,103,848</u>	<u>\$ 10,698,236</u>

12. Line of Credit

The Settlement has an available line of credit with BNY Mellon in the amount of \$1,960,000. This line of credit is secured by the Settlement's endowment and is payable on demand. Interest is charged at the LIBOR rate plus 175 basis points. The outstanding balance on the loan payable at June 30, 2021 and 2020 was \$650,000 and \$250,000. Interest expense for the years ended June 30, 2021 and 2020 was approximately \$3,000 and \$4,000.

13. Long Term Debt

Loans Payable

In July of 2015, Grand Street was approved for an interest free loan in the amount of \$120,000 from Deutsche Bank Americas Foundation. The Settlement received \$80,000 of this interest free loan in fiscal year 2016 and the remaining \$40,000 of the interest free loan was received in fiscal year 2017. The first two payments of the loan were paid on March 31, 2019 and 2018 in the amount of \$40,000 for each year then ended. The outstanding balance on the loan payable for each of the years ended June 30, 2021 and 2020 was \$0 and \$40,000. Repayment terms requires the Settlement to make an installment in the amount of \$40,000 on March 31, 2020. During the year ended June 30, 2020, the Settlement was granted an extension to repay the final installment in the amount of \$40,000 by September 1, 2020. The loan was paid in full on August 28, 2020.

Grand Street Settlement, Inc. and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

13. Long Term Debt (continued)

Loans Payable (continued)

In November 2017, GrandLo was approved for an interest free loan in the amount of \$120,000 from Deutsche Bank Americas Foundation. GrandLo received \$40,000 of this interest free loan in fiscal years 2018 and 2019, and \$40,000 in November of 2019. The outstanding balance on the loan payable at June 30, 2021 and 2020 was \$80,000 and \$120,000. Repayment terms requires GrandLo to make three installments in the amount of \$40,000 each year on November 15, 2020, 2021 and 2022. The first payment of the loan was paid on November 6, 2020 in the amount of \$40,000. On December 9, 2021, GrandLo was granted forgiveness by Deutsche Bank Americas Foundation for the remaining \$80,000.

Future minimum loan payments for the Deutsche Bank Americas Foundation loan are as follows:

2022	\$	40,000
2023		<u>40,000</u>
	\$	<u>80,000</u>

NFF Loan

In May 2020, the Settlement entered into a loan payable with Nonprofit Finance Fund (the "NFF Loan") in the amount of \$1,092,405. The loan is to be repaid in four equal payments commencing May 16, 2023 until August 15, 2023, which is the maturity date, unless the parties agree to extend the term of the loan. The loan is non-interest bearing. The NFF Loan is related to unregistered state contracts entered into by the Settlement and will be repaid once reimbursement is received. At June 30, 2021, the outstanding balance of this loan was \$1,092,405.

Future minimum loan payments for the NFF Loan are as follows at June 30, 2021:

2023	\$	546,202
2024		<u>546,203</u>
	\$	<u>1,092,405</u>

Paycheck Protection Program Loan

On April 17, 2020, the Settlement received loan proceeds in the amount of \$3,090,620, under the Paycheck Protection Program ("PPP Loan"). The PPP Loan, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after eight or twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities and maintains its payroll levels.

The PPP Loan was subsequently forgiven in full by the Small Business Administration in November 2021.

Grand Street Settlement, Inc. and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

13. Long Term Debt *(continued)*

At June 30, 2021, the outstanding loans payable consisted of the following:

Loans payable	\$	80,000
NFF Loan		1,092,405
PPP Loan		<u>3,090,620</u>
	\$	<u><u>4,263,025</u></u>

Fund for the City of New York Loan

On October 17, 2019, the Settlement entered into nine emergency loans with the Fund for the City of New York (the "Fund") to help cover operating expenses pending receipt of funds for the New York City Department of Youth and Community Development in the amount of \$859,600. The loans were non-interest bearing. The balance of the emergency loans were repaid to the Fund on December 18, 2019.

14. Commitments and Contingencies

Operating Leases

The Settlement began leasing premises at Essex Crossing on July 1, 2019. The operating lease is a 10 year lease which will expire on July 1, 2029. As of June 30, 2021, future principal payments on the lease is as follows:

2022	\$	67,123
2023		69,137
2024		71,211
2025		73,347
2026		75,548
Thereafter		<u>240,516</u>
	\$	<u><u>596,882</u></u>

Rent expense under operating leases and other short term rentals for years ended June 30, 2021 and 2020 amounted to approximately \$175,000 and \$157,000.

Grand Street Settlement, Inc. and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2021 and 2020

15. Risks and Uncertainties

COVID-19

On March 16, 2020, the Settlement transitioned to remote programs as a precautionary measure to protect the health and safety of staff and participants, and in accordance with government guidelines. The full duration and extent of the COVID-19 pandemic, related business and travel restrictions and changes to behavior intended to reduce its spread are uncertain as of the date of these financial statements were available for issuance, as the pandemic continues to evolve globally. Therefore, the Settlement may experience a disruption in operations, a decline in future contributions, and the possibility of re-evaluating the collectability of its current receivable balances. The pandemic is likely to impact the Settlement's financial position and cash flows in the year ending June 30, 2022, the extent of which cannot be reasonably estimated at this time.

16. Subsequent Events

In the fall of 2020, the NYC Department of Education awarded the Settlement three new Community School contracts and renewed three others, for a total of six contracts and a major expansion in the Settlement's Community School services. These contracts commenced on July 1, 2021.

The Settlement continues to undergo a significant expansion of its Head Start and Early Head Start programs with direct federal funding. Two new Head Start centers will open in Brooklyn in late 2021 and early 2022. These new centers are at 1825 Atlantic Ave and 850-856 50th St.

The Settlement was reimbursed on July 26, 2021 by the City of New York in the amount of \$169,756 for the purchase of three shuttle busses.

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Grand Street Settlement, Inc. and Subsidiary

Supplementary Information
June 30, 2021 and 2020

Grand Street Settlement, Inc. and SubsidiaryConsolidating Schedule of Financial Position
June 30, 2021

	Grand Street Settlement, Inc.	GrandLo Café, Inc.	Consolidating Eliminations	Consolidated Total
ASSETS				
Cash	\$ 778,233	\$ 10,638	\$ -	\$ 788,871
Contributions receivable, net	2,025,708	-	-	2,025,708
Due from government agencies, net	8,176,435	-	-	8,176,435
Prepaid expenses and other assets	267,919	-	(47,544)	220,375
Investments	8,284,283	-	-	8,284,283
Property and equipment, net	<u>5,266,045</u>	<u>13,638</u>	<u>-</u>	<u>5,279,683</u>
	<u>\$ 24,798,623</u>	<u>\$ 24,276</u>	<u>\$ (47,544)</u>	<u>\$ 24,775,355</u>
LIABILITIES AND NET ASSETS				
Liabilities				
Accounts payable and other liabilities	\$ 1,497,668	\$ 62,487	\$ (47,544)	\$ 1,512,611
Accrued payroll and related liabilities	798,760	-	-	798,760
Line of credit payable	650,000	-	-	650,000
Deferred revenue	6,535	-	-	6,535
Advances from government agencies	670,349	-	-	670,349
Loans payable	<u>4,183,025</u>	<u>80,000</u>	<u>-</u>	<u>4,263,025</u>
Total Liabilities	<u>7,806,337</u>	<u>142,487</u>	<u>(47,544)</u>	<u>7,901,280</u>
Net Assets (Deficit)				
Without donor restrictions	9,795,257	(118,211)	-	9,677,046
With donor restrictions	<u>7,197,029</u>	<u>-</u>	<u>-</u>	<u>7,197,029</u>
Total Net Assets (Deficit)	<u>16,992,286</u>	<u>(118,211)</u>	<u>-</u>	<u>16,874,075</u>
	<u>\$ 24,798,623</u>	<u>\$ 24,276</u>	<u>\$ (47,544)</u>	<u>\$ 24,775,355</u>

Grand Street Settlement, Inc. and SubsidiaryConsolidating Schedule of Financial Position
June 30, 2020

	Grand Street Settlement, Inc.	GrandLo Café, Inc.	Consolidating Eliminations	Consolidated Total
ASSETS				
Cash	\$ 2,891,715	\$ 34,756	\$ -	\$ 2,926,471
Contributions receivable, net	637,670	25,000	-	662,670
Due from government agencies, net	5,661,947	-	-	5,661,947
Prepaid expenses and other assets	275,076	292	(7,809)	267,559
Investments	6,877,058	-	-	6,877,058
Property and equipment, net	<u>4,298,281</u>	<u>22,730</u>	<u>-</u>	<u>4,321,011</u>
	<u>\$ 20,641,747</u>	<u>\$ 82,778</u>	<u>\$ (7,809)</u>	<u>\$ 20,716,716</u>
LIABILITIES AND NET ASSETS				
Liabilities				
Accounts payable and other liabilities	\$ 1,494,781	\$ 45,534	\$ (7,809)	\$ 1,532,506
Accrued payroll and related liabilities	950,151	-	-	950,151
Line of credit payable	250,000	-	-	250,000
Deferred revenue	6,535	-	-	6,535
Advances from government agencies	323,123	-	-	323,123
Loans payable	<u>4,223,025</u>	<u>120,000</u>	<u>-</u>	<u>4,343,025</u>
Total Liabilities	<u>7,247,615</u>	<u>165,534</u>	<u>(7,809)</u>	<u>7,405,340</u>
Net Assets (Deficit)				
Without donor restrictions	7,989,803	(108,337)	-	7,881,466
With donor restrictions	<u>5,404,329</u>	<u>25,581</u>	<u>-</u>	<u>5,429,910</u>
Total Net Assets (Deficit)	<u>13,394,132</u>	<u>(82,756)</u>	<u>-</u>	<u>13,311,376</u>
	<u>\$ 20,641,747</u>	<u>\$ 82,778</u>	<u>\$ (7,809)</u>	<u>\$ 20,716,716</u>

See independent auditors' report

Grand Street Settlement, Inc. and Subsidiary

Consolidating Schedule of Activities
Year Ended June 30, 2021

	Grand Street Settlement, Inc.	GrandLo Café, Inc.	Consolidating Eliminations	Consolidated Total
NET ASSETS WITHOUT DONOR RESTRICTIONS				
PUBLIC SUPPORT AND REVENUE				
Government grants	\$ 27,317,666	\$ -	\$ -	\$ 27,317,666
Contributions	489,723	-	-	489,723
Special events, net of direct benefit to donors of \$8,585	83,197	-	-	83,197
Donated occupancy and services	2,600,365	-	-	2,600,365
Program service fees	-	-	-	-
Investment return designated for current use	188,407	-	-	188,407
Miscellaneous income	60,124	-	-	60,124
Net assets released from restrictions	<u>2,195,921</u>	<u>25,581</u>	-	<u>2,221,502</u>
Total Public Support and Revenue	<u>32,935,403</u>	<u>25,581</u>	-	<u>32,960,984</u>
EXPENSES				
Program Services				
Early childhood programs	15,475,465	-	-	15,475,465
Youth services	1,991,905	-	-	1,991,905
School-based counseling services	1,502,630	-	-	1,502,630
Case management	245,532	-	-	245,532
Community development	7,233,196	-	-	7,233,196
Senior programs	1,056,985	-	-	1,056,985
Mental health initiative	48,712	-	-	48,712
GrandLo Café, Inc.	-	35,455	(25,580)	9,875
Total Program Services	<u>27,554,425</u>	<u>35,455</u>	<u>(25,580)</u>	<u>27,564,300</u>
Supporting Services				
Management and general	4,103,368	-	-	4,103,368
Fundraising	682,097	-	-	682,097
Total Supporting Services	<u>4,785,465</u>	-	-	<u>4,785,465</u>
Total Expenses	<u>32,339,890</u>	<u>35,455</u>	<u>(25,580)</u>	<u>32,349,765</u>
Excess of Public Support and Revenue Over Expenses	595,513	(9,874)	25,580	611,219
NON-OPERATING ACTIVITIES				
Government grants for capital purpose	-	-	-	-
Investment return, net of amount designated for current use	<u>1,209,941</u>	-	-	<u>1,209,941</u>
Change in Net Assets Without Donor Restrictions	1,805,454	(9,874)	25,580	1,821,160
Net Assets Without Donor Restrictions				
Beginning of year	<u>7,989,803</u>	<u>(108,337)</u>	-	<u>7,881,466</u>
End of year	<u>\$ 9,795,257</u>	<u>\$ (118,211)</u>	<u>\$ 25,580</u>	<u>\$ 9,702,626</u>
NET ASSETS WITH DONOR RESTRICTIONS				
PUBLIC SUPPORT AND REVENUE				
Contributions	\$ 3,611,279	\$ -	\$ (25,580)	\$ 3,585,699
Investment return	377,342	-	-	377,342
Net assets released from restrictions	<u>(2,195,921)</u>	<u>(25,581)</u>	-	<u>(2,221,502)</u>
Change in Net Assets With Donor Restrictions	1,792,700	(25,581)	(25,580)	1,741,539
Net Assets With Donor Restrictions				
Beginning of year	<u>5,404,329</u>	<u>25,581</u>	-	<u>5,429,910</u>
End of year	<u>\$ 7,197,029</u>	<u>\$ -</u>	<u>\$ (25,580)</u>	<u>\$ 7,171,449</u>
Total Change in Net Assets	\$ 3,598,154	\$ (35,455)	\$ -	\$ 3,562,699
NET ASSETS (DEFICIT)				
Beginning of year	<u>13,394,132</u>	<u>(82,756)</u>	-	<u>13,311,376</u>
End of year	<u>\$ 16,992,286</u>	<u>\$ (118,211)</u>	<u>\$ -</u>	<u>\$ 16,874,075</u>

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Grand Street Settlement, Inc. and Subsidiary

Consolidating Schedule of Activities
Year Ended June 30, 2020

	Grand Street Settlement, Inc.	GrandLo Café, Inc.	Consolidating Eliminations	Consolidated Total
NET ASSETS WITHOUT DONOR RESTRICTIONS				
PUBLIC SUPPORT AND REVENUE				
Government grants	\$ 24,066,418	\$ -	\$ -	\$ 24,066,418
Contributions	513,319	9,260	-	522,579
Special events, net of direct benefit to donors of \$39,080	16,138	-	-	16,138
Donated occupancy and services	2,938,663	-	-	2,938,663
Program service fees	65,554	-	-	65,554
Investment return designated for current use	161,355	-	-	161,355
Miscellaneous income	31,996	121,360	-	153,356
Net assets released from restrictions	<u>2,047,892</u>	<u>302,360</u>	-	<u>2,350,252</u>
Total Public Support and Revenue	<u>29,841,335</u>	<u>432,980</u>	-	<u>30,274,315</u>
EXPENSES				
Program Services				
Early childhood programs	14,340,030	-	-	14,340,030
Youth services	1,917,416	-	-	1,917,416
School-based counseling services	1,388,375	-	-	1,388,375
Case management	275,519	-	-	275,519
Community development	6,800,457	-	-	6,800,457
Senior programs	1,052,472	-	-	1,052,472
Mental health initiative	71,911	-	-	71,911
GrandLo Café, Inc.	-	464,891	-	464,891
Total Program Services	<u>25,846,180</u>	<u>464,891</u>	-	<u>26,311,071</u>
Supporting Services				
Management and general	3,149,423	20,800	-	3,170,223
Fundraising	751,718	-	-	751,718
Total Supporting Services	<u>3,901,141</u>	<u>20,800</u>	-	<u>3,921,941</u>
Total Expenses	<u>29,747,321</u>	<u>485,691</u>	-	<u>30,233,012</u>
Excess of Public Support and Revenue Over Expenses	94,014	(52,711)	-	41,303
NON-OPERATING ACTIVITIES				
Government grants for capital purpose	631,272	-	-	631,272
Investment return, net of amount designated for current use	<u>(84,595)</u>	-	-	<u>(84,595)</u>
Change in Net Assets Without Donor Restrictions	640,691	(52,711)	-	587,980
Net Assets Without Donor Restrictions				
Beginning of year	<u>7,349,112</u>	<u>(55,626)</u>	-	<u>7,293,486</u>
End of year	<u>\$ 7,989,803</u>	<u>\$ (108,337)</u>	<u>\$ -</u>	<u>\$ 7,881,466</u>
NET ASSETS WITH DONOR RESTRICTIONS				
PUBLIC SUPPORT AND REVENUE				
Contributions	\$ 1,887,246	\$ 50,000	\$ -	\$ 1,937,246
Investment return	48,022	-	-	48,022
Net assets released from restrictions	<u>(2,047,892)</u>	<u>(302,360)</u>	-	<u>(2,350,252)</u>
Change in Net Assets With Donor Restrictions	(112,624)	(252,360)	-	(364,984)
Net Assets With Donor Restrictions				
Beginning of year	<u>5,516,953</u>	<u>277,941</u>	-	<u>5,794,894</u>
End of year	<u>\$ 5,404,329</u>	<u>\$ 25,581</u>	<u>\$ -</u>	<u>\$ 5,429,910</u>
Total Change in Net Assets	\$ 528,067	\$ (305,071)	\$ -	\$ 222,996
NET ASSETS (DEFICIT)				
Beginning of year	<u>12,866,065</u>	<u>222,315</u>	-	<u>13,088,380</u>
End of year	<u>\$ 13,394,132</u>	<u>\$ (82,756)</u>	<u>\$ -</u>	<u>\$ 13,311,376</u>

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