VINCENT VILLAGE, INC.

CONSOLIDATED FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT

June 30, 2021 and 2020

ksm

Katz, Sapper & Miller, LLP
Certified Public Accountants

VINCENT VILLAGE, INC.

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Katz, Sapper & Miller, LLP
Certified Public Accountants
202 West Berry Street, Suite 600
Fort Wayne, IN 46802

Independent Auditors' Report

Board of Directors
Vincent Village, Inc.

We have audited the accompanying consolidated financial statements of Vincent Village, Inc. (the Organization), 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 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 auditors consider 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.

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Opinion

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

Katz, Sapper & Miller, LLP

Fort Wayne, Indiana
February 28, 2022

VINCENT VILLAGE, INC.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
June 30, 2021 and 2020

	2021	2020
ASSETS		
CURRENT ASSETS		
Cash	$ 599,894	$ 387,704
Grants and reimbursements receivable	112,636	50,035
Total Current Assets	712,530	437,739
OTHER ASSETS		
Property and equipment, net	2,436,956	2,551,483
Grant receivable, net	105,000	
Investment, at cost	500,100	500,100
Beneficial interest in assets held by Community Foundation	22,988	16,483
Cash, restricted for capital purchases	129,600	135,600
Total Other Assets	3,194,644	3,203,666
TOTAL ASSETS	$ 3,907,174	$ 3,641,405
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable - trade	$ 3,452	$ 7,051
Accrued expenses and payroll withholdings	34,769	37,352
Deferred revenue	5,748	6,108
Total Current Liabilities	43,969	50,511
LONG-TERM LIABILITIES		
Refundable grants	500,000	500,000
Loans payable	460,161	605,061
Total Long-term Liabilities	960,161	1,105,061
Total Liabilities	1,004,130	1,155,572
NET ASSETS		
Without donor restrictions	2,541,894	2,135,204
With donor restrictions	361,150	350,629
Total Net Assets	2,903,044	2,485,833
TOTAL LIABILITIES AND NET ASSETS	$ 3,907,174	$ 3,641,405

See accompanying notes.

VINCENT VILLAGE, INC.

CONSOLIDATED STATEMENTS OF ACTIVITIES
Years Ended June 30, 2021 and 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS AND OTHER SUPPORT						
Contributions:						
Private grants and donations	$ 702,651	$ 374,575	$ 1,077,226	$ 492,186	$ 403,316	$ 895,502
In-kind goods, services and space rental	18,000		18,000	24,162		24,162
Special events, net of direct benefit to donors	145,420		145,420	187,484		187,484
PPP loan forgiveness	144,900		144,900			
Rental income	149,403		149,403	155,703		155,703
Government grants and contracts				70,096		70,096
Contracted services				26,250		26,250
Interest income	170		170	1,307		1,307
Change in value of beneficial interest in assets held by Community Foundation	5,368	1,137	6,505	(590)	(125)	(715)
Gain on sales of property and equipment	57		57	38		38
Net assets released from restrictions	365,191	(365,191)		368,939	(368,939)	
Total Revenues, Gains and Other Support	1,531,160	10,521	1,541,681	1,325,575	34,252	1,359,827
EXPENSES						
Program Services:						
Vincent House	359,290		359,290	438,361		438,361
Village Phase II Rental Home Program	393,536		393,536	437,188		437,188
Youth and Family Services	77,661		77,661	147,380		147,380
St. Hyacinth Center	51,105		51,105	44,856		44,856
Community Housing Development	596		596	1,463		1,463
Supporting Services:						
Management and general	149,783		149,783	156,360		156,360
Fundraising	92,499		92,499	64,821		64,821
Total Expenses	1,124,470		1,124,470	1,290,429		1,290,429
CHANGE IN NET ASSETS	406,690	10,521	417,211	35,146	34,252	69,398
NET ASSETS						
Beginning of Year	2,135,204	350,629	2,485,833	2,100,058	316,377	2,416,435
End of Year	$ 2,541,894	$ 361,150	$ 2,903,044	$ 2,135,204	$ 350,629	$ 2,485,833

See accompanying notes.

VINCENT VILLAGE, INC.

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2021

	Vincent House	Village Phase II Rental Home Program	Youth and Family Services	St. Hyacinth Center	Community Housing Development	Total Program	Management and General	Fundraising	Total
Salaries and wages	$ 220,279	$ 178,968	$ 44,648			$ 443,895	$ 43,320	$ 55,595	$ 542,810
Payroll taxes	13,594	11,045	2,755			27,394	2,673	3,431	33,498
Employee benefits	34,387	5,275	10,683	$ 100		50,445	9,136	1,378	60,959
	268,260	195,288	58,086	100		521,734	55,129	60,404	637,267
Auto and travel	3,044	4,477	275			7,796			7,796
Childcare, educational and training	1,910	375	150			2,435	3,176		5,611
Contracted services	100					100	10,586	22,085	32,771
Depreciation	12,099	70,266	5,686	17,945		105,996	27,668		133,664
Food	1,859	1,874				3,733			3,733
Equipment and equipment rental	236	2,214				2,450	280		2,730
Insurance and taxes	12,148	24,043	4,317	7,444		47,952	2,882	1,121	51,955
Legal and professional	565	7,177		2,400		10,142	22,485	11	32,638
Maintenance and repairs	8,751	16,075	44	1,614		26,484	1,949	234	28,667
Supportive services	5,415	11,158	4,217			20,790	136		20,926
Office expense	5,638	4,260	1,486			11,384	8,737	2,226	22,347
Other expenses	348	508	72		$ 596	1,524	10,039	3,356	14,919
Rent, in-kind		18,000				18,000			18,000
Supplies	17,056	7,520	17			24,593	2,419	482	27,494
Telephone and utilities	21,861	30,301	3,311	21,602		77,075	4,297	2,580	83,952
Special events - contracted services and supplies								14,777	14,777
TOTAL EXPENSES BY FUNCTION	359,290	393,536	77,661	51,105	596	882,188	149,783	107,276	1,139,247
Less: Expenses included with revenues on the consolidated statements of activities: Costs of direct benefit to donors - contracted services and supplies								(14,777)	(14,777)
TOTAL EXPENSES ON THE CONSOLIDATED STATEMENTS OF ACTIVITIES	$ 359,290	$ 393,536	$ 77,661	$ 51,105	$ 596	$ 882,188	$ 149,783	$ 92,499	$ 1,124,470

See accompanying notes.

VINCENT VILLAGE, INC.

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2020

	Vincent House	Village Phase II Rental Home Program	Youth and Family Services	St. Hyacinth Center	Community Housing Development	Total Program	Management and General	Fundraising	Total
Salaries and wages	$ 236,321	$ 182,442	$ 80,970			$ 499,733	$ 63,510	$ 49,791	$ 613,034
Payroll taxes	20,176	13,498	5,991			39,665	4,699	3,684	48,048
Employee benefits	49,660	11,524	11,747	$ 104		73,035	2,396	1,840	77,271
	306,157	207,464	98,708	104		612,433	70,605	55,315	738,353
Auto and travel	7,619	10,605	1,330			19,554	760		20,314
Childcare, educational and training	2,283	2,241	2,169			6,693	3,152		9,845
Contracted services	10,725	18,503				29,228			29,228
Depreciation	12,198	73,931	6,202	17,890		110,221	21,073		131,294
Food	8,598	2,434	1,057			12,089	29		12,118
Equipment and equipment rental	4,278	4,248	606			9,132	51		9,183
Insurance and taxes	11,696	20,593	4,320	7,203		43,812	2,488	1,268	47,568
Legal and professional	3,873	4,608	473		$ 225	9,179	23,971	65	33,215
Maintenance and repairs	26,562	32,160	5,670	1,894		66,286	3,396	552	70,234
Supportive services	4,151	7,432	4,251			15,834			15,834
Office expense	3,980	3,688	1,910	1		9,579	6,986	2,878	19,443
Other expenses	629	13			1,238	1,880	17,379	3,714	22,973
Rent, in-kind		18,000				18,000			18,000
Supplies	11,884	10,059	336			22,279	1,335		23,614
Telephone and utilities	23,728	21,209	20,348	17,764		83,049	5,135	1,029	89,213
Special events - contracted services and supplies								28,438	28,438
TOTAL EXPENSES BY FUNCTION	438,361	437,188	147,380	44,856	1,463	1,069,248	156,360	93,259	1,318,867
Less: Expenses included with revenues on the consolidated statements of activities: Costs of direct benefit to donors - contracted services and supplies								(28,438)	(28,438)
TOTAL EXPENSES ON THE CONSOLIDATED STATEMENTS OF ACTIVITIES	$ 438,361	$ 437,188	$ 147,380	$ 44,856	$ 1,463	$ 1,069,248	$ 156,360	$ 64,821	$ 1,290,429

See accompanying notes.

VINCENT VILLAGE, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended June 30, 2021 and 2020

	2021	2020
OPERATING ACTIVITIES		
Change in net assets	$ 417,211	$ 69,398
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	133,664	131,294
PPP loan forgiveness	(144,900)	
Grants received for capital purchases		(75,000)
Change in value of beneficial interest in assets held by Community Foundation	(6,505)	715
(Gain) loss on sales of property and equipment	(57)	(38)
(Increase) decrease in certain assets:		
Receivable - other		7,054
Grants and reimbursements receivable	(167,601)	98,325
Increase (decrease) in certain liabilities:		
Accounts payable - trade	(3,599)	(1,760)
Accrued expenses and payroll withholdings	(2,583)	1,901
Deferred revenue	(360)	(19,442)
Net Cash Provided by Operating Activities	225,270	212,447
INVESTING ACTIVITIES		
Purchases of property and equipment	(19,080)	(69,897)
Net Cash Used by Investing Activities	(19,080)	(69,897)
FINANCING ACTIVITIES		
Proceeds from loan		144,900
Proceeds from contributions restricted for capital purchases		75,000
Net Cash Provided by Financing Activities		219,900
NET CHANGE IN CASH AND RESTRICTED CASH	206,190	362,450
CASH AND RESTRICTED CASH		
Beginning of Year	523,304	160,854
End of Year	$ 729,494	$ 523,304
CASH AND RESTRICTED CASH		
Cash	$ 599,894	$ 387,704
Cash restricted for capital purchases	129,600	135,600
TOTAL CASH AND RESTRICTED CASH	$ 729,494	$ 523,304
SUPPLEMENTAL DISCLOSURES		
In-kind expenses:		
Space rental	$ 18,000	$ 18,000
Professional services		4,250
Supplies and equipment		1,912
Non-cash investing and financing activities:		
PPP loan forgiveness	144,900	

See accompanying notes.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General: Vincent Village, Inc. is an Indiana nonprofit corporation operating since December 1, 1989. Vincent Village, Inc. serves homeless families with children and offers the following primary programs:

> *Vincent House* is a transitional shelter for homeless families primarily residing in Allen County, Indiana providing basic needs, advocacy, referrals, life skills training and supporting services.
>
> *Village Phase II Rental Home Program* offers independent, scattered site, single-family affordable housing for families who have successfully completed goals in the transitional shelter, are budgeting to pay monthly bills and are ready to move to independent living.
>
> *Youth and Family Services* coordinates comprehensive services for homeless children ages 0-17 living in four different shelters in the city of Fort Wayne addressing the physical, emotional, and cognitive needs of homeless children.
>
> *St. Hyacinth Center* offers clients that are unemployed or underemployed in all programs, intensive daily workshops that focus on building employment skills, communication skills, self-confidence, wellness, as well as the opportunity to explore post-secondary options.

Vincent Village, Inc.'s primary sources of revenue are foundation grants, fundraising events, rental income and contributions.

Vincent House Community Housing Development Organization, Inc. (Affiliate) is an Indiana nonprofit corporation formed in 2006. Affiliate is a separate organization and exists for the sole purpose of developing affordable housing for Vincent Village, Inc. Vincent Village, Inc. controls and has an economic interest in Affiliate.

Vincent Village Affordable Housing, LLC (Subsidiary) is an Indiana limited liability company formed in 2017 as a wholly-owned subsidiary of Vincent Village, Inc. Subsidiary was formed to participate in a partnership, BW at Renaissance Pointe, LLC, with an unrelated third party to acquire and develop properties through tax credit-based financing and provide transitional rental housing for the Organization's residents and eventually an affordable permanent housing option. Subsidiary exists for the sole purpose of developing affordable transitional permanent housing for the support of Vincent Village, Inc.'s mission. Vincent Village, Inc. controls and has an economic interest in Subsidiary.

New Accounting Pronouncement: On July 1, 2020, the Organization retrospectively adopted Accounting Standards Update (ASU) No. 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework–Changes to the Disclosure Requirements for Fair Value Measurement* (ASU No. 2018-13) as prescribed by the Financial Accounting Standards Board. As a result of the adoption of ASU No. 2018-13, the Organization removed and modified certain disclosure requirements related to Level 3 fair value measurements. The adoption of ASU No. 2018-13 did not have an impact on the Organization's financial position or change in net assets.

Principles of Consolidation: The consolidated financial statements include the accounts of Vincent Village, Inc., Vincent House Community Housing Development Organization, Inc. and Vincent Village Affordable Housing, LLC (collectively, the Organization). All material intra-entity accounts and transactions have been eliminated in consolidation.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation: The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, which require the Organization to report information regarding its financial position and activities according to the following:

- ***Net Assets Without Donor Restrictions*** are not subject to donor-imposed restrictions and may be used at the discretion of the Organization's management and Board of Directors. This net asset category includes funds functioning as an endowment through designation by the Board of Directors and other Board-designated net assets.

- ***Net Assets with Donor Restrictions*** are subject to stipulations imposed by donors. Some of the Organization's donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor-restricted contributions that were initially classified as conditional contributions are reported as increases in net assets without donor restrictions when the conditions are met, if the restrictions expire in the same year in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, and when a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statements of activities. Restrictions expire when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Gifts associated with the acquisition of long-lived assets are released from restriction when the assets are placed in service.

Estimates: The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported amounts of revenue and expenses. Actual results could differ from those estimates.

Cash consists of cash on hand or in demand deposit accounts. The Organization maintains its cash in bank deposit accounts which, at times, may exceed the federally insured limits. The Organization has not experienced any losses from its bank accounts.

Grants and Reimbursements Receivable: Unconditional promises to give and grants receivable expected to be collected within one year are recorded at net realizable value. Amounts expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on these amounts are computed using risk-adjusted rates applicable in the years in which those promises are received. Amortization of the discounts is included in contributions and grants in the consolidated statements of activities. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Grants and reimbursements receivable are reviewed for collectability and a provision for doubtful accounts is recorded based on management's judgment and analysis of the creditworthiness of the donors and grantors, historical experience, economic conditions, and other relevant factors. Management determined that no allowance was necessary at June 30, 2021 and 2020.

Property and Equipment are stated at cost for purchased assets, or at fair value at the date of donation for donated assets, less accumulated depreciation. Depreciation of property and equipment is provided on a straight-line basis over the estimated useful lives as follows:

Buildings and improvements	7-40 years
Equipment and furnishings	3-10 years
Vehicles	5 years

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Organization's property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is measured by comparison of the carrying amount to future net undiscounted cash flows expected to be generated by the related asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount exceeds the fair market value of the assets. No adjustments to the carrying amount of property and equipment were required in fiscal years 2021 and 2020.

Investment relates to the .51% ownership interest in an investment in BW at Renaissance Pointe, LLC at June 30, 2021 and 2020. The investment is accounted for on the cost method because of the Organization's minority ownership percentage and lack of ability to exercise significant influence over the operations of the partnership. The intended purpose of the BW project is to renovate the old Coca Cola building in Fort Wayne, Indiana into 55 residential units that will provide for transitional housing. The Organization will not be asked to take on any extra financial risk but will receive a small development fee for each unit when completed and will act as a service coordinator for the residents living in the units ($100/year).

Beneficial Interest in Assets Held by Community Foundation: The Organization established an endowment fund that is perpetual in nature with the Community Foundation of Greater Fort Wayne (Community Foundation) by transferring assets, without and with donor restrictions, to the Community Foundation and naming itself as the beneficiary of the fund. The Organization granted variance power to the Community Foundation, which allows the Community Foundation to modify the terms of the fund if continued adherence to any condition or restriction is in the judgment of the Community Foundation's Board of Directors unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community served by the Community Foundation. The fund is held and invested by the Community Foundation for the benefit of the Organization, and the Organization may draw up to a certain percentage of the value each year, as specified in the Community Foundation's spending policy. The fund is reported at fair value in the consolidated statements of financial position, with distributions and changes in fair value recognized in the consolidated statements of activities. See Note 3 for discussion of fair value measurements.

The Organization has been named a beneficiary of a fund held by the Community Foundation which was established by a donor directly with the Community Foundation. This fund is not included in the Organization's statements of financial position because it was not established by the Organization and the Community Foundation has variance power over the funds. At June 30, 2021 and 2020, the fair value of the fund was $104,964 and $67,952, respectively.

Contributions and Grants are recognized as support when they are received or unconditionally promised. Grants and contracts are classified as contributions in instances in which a resource provider is not itself receiving commensurate value for the resources provided. Contributions are considered conditional when the agreement with the resource provider includes a barrier that must be overcome and either a right of return of assets transferred or right of release of a promisor's obligation to transfer assets. Conditional contributions are not recognized as revenue until the conditions are substantially met. Cash received prior to when conditions are substantially met are recognized as refundable grants.

The Organization receives a significant amount of financial assistance from local government grants and contracts. Local grants and contracts normally provide for the recovery of direct and indirect costs. Entitlement to the recovery of the direct and related indirect costs is conditional upon compliance with the terms and conditions of the grant agreements and with applicable regulations, including the expenditure of the resources for eligible purposes. Substantially all local grants are subject to financial and compliance reviews and audits by the grantors. Management believes an adverse material outcome from those reviews and audits is unlikely.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In-kind Contributions: Contributions of services, which consisted primarily of professional fees, are recorded at estimated fair value when received if such services require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not donated. Volunteers contribute significant amounts of time to the Organization's activities that do not meet recognition criteria, and the value of these contributed services is not reflected in the consolidated financial statements. Contributions of food, equipment, and other goods are recorded at estimated fair value when received.

Rental Income relates to contracts with individuals associated with the Organization's programs and with outside third parties for use of rooms or buildings owned by the Organization. Revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing use of rooms or buildings. Rental income related to shelter and transitional housing is recognized each day access to a room or house is provided or access on a monthly basis to third parties for use of buildings owned by the Organization. Any amounts for payments received in advance for above rental income is included in deferred revenue until services are provided.

Special Event Revenue: Sponsorship revenue and other contributions related to special events is recognized when received, unless the contribution is conditional on the event taking place. The portion of special event revenue classified as exchange transactions is recognized upon the occurrence of the event. Revenue received for events occurring subsequent to the consolidated statement of financial position date is reflected as deferred revenue.

Functional Allocation of Expenses: The costs of providing program and other activities have been summarized on a functional basis in the consolidated statements of activities and functional expenses. Directly identifiable expenses are charged to the specific program or supporting service benefited. Expenses related to more than one function are allocated among program and support services based on occupied space (including, depreciation, insurance and taxes, maintenance and repairs, and telephone and utilities) or time spent by Organization staff (including, salaries and wages, payroll taxes, employee benefits, and office expenses). Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Income Taxes: Vincent Village, Inc. and Affiliate are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, though they are subject to tax on income unrelated to their exempt purpose, unless that income is otherwise excluded by the Internal Revenue Code. Subsidiary is a single member limited liability company that is treated as a disregarded entity for federal and state income tax purposes. In addition, Vincent Village, Inc. and Affiliate have been determined by the Internal Revenue Service not to be private foundations within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income tax for the years ended June 30, 2021 and 2020.

Vincent Village, Inc. and Affiliate file U.S. federal and Indiana information or income tax returns. Vincent Village, Inc. and Affiliate are no longer subject to U.S. federal and state income tax examinations by tax authorities for fiscal years before 2018. Management believes that the Organization's income tax filing positions will be sustained on audit and does not anticipate any adjustments that will result in material change.

Subsequent Events: Management has evaluated the consolidated financial statements for subsequent events occurring through February 28, 2022, the date the consolidated financial statements were available to be issued.

NOTE 2 - AVAILABLE RESOURCES AND LIQUIDITY

The Organization's financial assets available for general expenditure within one year of June 30, 2021 and 2020 were as follows:

	2021	2020
Cash	$ 729,494	$ 523,242
Grants, reimbursements and other receivables	217,636	50,035
Investment, at cost	500,100	500,100
Beneficial interest in assets held by Community Foundation	22,988	16,483
Total Financial Assets	1,470,218	1,089,860
Long-term investment in BW at Renaissance Pointe, LLC	(500,100)	(500,100)
Long-term grants and reimbursements receivable	(105,000)	
Donor-imposed Restrictions:		
Endowment	(4,019)	(2,882)
Capital purchases	(129,600)	(135,600)
Board-designations:		
Reserve for capital and operational needs	(297,316)	(122,704)
Future purchase and maintenance of homes	(73,356)	(73,356)
Endowment	(18,969)	(13,601)
Total Financial Assets Available Within One Year	$ 341,858	$ 241,617

The Organization considers contributions without donor restrictions and contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include administrative and general expenses and fundraising expenses. Annual operations are defined as activities occurring during the Organization's fiscal year.

Financial assets available for general expenditure exclude board-designated funds to be used for specific purposes. Although the Organization does not intend to spend from its board-designated funds other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, those funds could be made available if necessary. Financial assets available for general expenditure also exclude the Organization's beneficial interest in assets held by Community Foundation which is subject to an annual spending rate of 4.50% from the related endowment fund, as described in Note 1.

The Organization meets monthly to monitor organization performance to the budget, to approve operating expenditures and to evaluate liquidity required to meet its operating needs and other contractual commitments in the near term.

NOTE 3 - FAIR VALUE MEASUREMENTS

The Organization has categorized its assets and liabilities that are measured at fair value into a three-level fair value hierarchy. The hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 – Inputs to the valuation methodology may include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and/or inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. In situations where there is little or no market activity for the asset or liability, the Organization makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

Following is a description of the valuation methodologies used by the Organization for assets that are measured at fair value on a recurring basis. There have been no changes in the methodologies used at June 30, 2021 and 2020.

Beneficial Interest in Community Foundation: Valued based on the Organization's proportionate share of the fair value of the underlying investments in the Community Foundation's pooled investment portfolio as reported by the Community Foundation, without adjustment.

Following is a summary, by major nature and risks class within each level of the fair value hierarchy, of the Organization's assets that are measured at fair value on a recurring basis as of June 30, 2021 and 2020:

2021	**Level 3**	**Total**
Assets		
Investments held for board designated and donor restricted endowments:		
Beneficial Interest in Assets held by Community Foundation	$22,988	$22,988

2020		
Assets		
Investments held for board designated and donor restricted endowments:		
Beneficial Interest in Assets held by Community Foundation	$16,483	$16,483

Activity during 2021 related to the asset measured at fair value on a recurring basis using a Level 3 valuation methodology is disclosed in Note 6.

NOTE 4 - GRANTS AND REIMBURSEMENTS RECEIVABLE

Grants and reimbursements receivable were estimated to be collected as follows as of June 30, 2021 and 2020:

	2021	**2020**
Within one year:		
City of Fort Wayne	$ 17,497	$ 5,035
Lincoln	40,000	
ESG Shelter	1,639	
Diocese of FWSB – St. Mary's	8,500	
Foellinger Foundation	45,000	45,000
	112,636	50,035
One to five years:		
Foellinger Foundation	105,000	
Total Grants and Reimbursements Receivable	$217,636	$50,035

NOTE 5 - PROPERTY AND EQUIPMENT

The Organization's property and equipment are as follows at June 30, 2021 and 2020:

	2021	2020
Land, buildings and improvements	$ 3,448,147	$ 3,441,147
Equipment and furnishings	416,616	404,198
Vehicles	79,521	79,521
	3,944,284	3,924,866
Less: Accumulated depreciation	(1,507,328)	(1,373,383)
Total Property and Equipment, net	$ 2,436,956	$ 2,551,483

NOTE 6 - ENDOWMENT

The Organization's endowment consists of a fund established by donors to provide annual funding for general operations. The endowment also includes certain net assets without donor restrictions that have been designated for endowment by the Board of Directors.

Interpretation of Relevant Law

The Organization is subject to the Indiana Uniform Prudent Management of Institutional Funds Act (UPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions, because those assets are time restricted until the Board of Directors appropriates such amounts for expenditure. The Board of Directors has interpreted UPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. The Organization considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Organization has interpreted UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law.

Additionally, the Organization considers the following factors in deciding to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policies of the Organization

The endowment net asset composition by type of fund consisted of the following as of June 30, 2021 and 2020:

2021	Without Donor Restrictions	With Donor Restrictions	Total
Board designated funds	$18,969		$18,969
Donor-restricted Endowment Funds:			
Original gifts and amounts required to be maintained in perpetuity by donors		$2,435	2,435
Accumulated investment gains		1,584	1,584
Total Endowment Funds	$18,969	$4,019	$22,988

NOTE 6 - ENDOWMENT (CONTINUED)

2020	Without Donor Restrictions	With Donor Restrictions	Total
Board designated funds	$13,601		$13,601
Donor-restricted Endowment Funds:			
Original gifts and amounts required to be maintained in perpetuity by donors		$2,435	2,435
Accumulated investment gains		447	447
Total Endowment Funds	$13,601	$2,882	$16,483

Underwater Endowment Funds

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the original value of gifts donated to the donor-restricted endowment or the level that the donors otherwise require the Organization to retain as a fund of perpetual duration. There were no underwater endowment funds at June 30, 2021 **and 2020**.

Investment and Spending Policies

The Organization's objective for the endowment fund is to provide a predictable stream of funding for the programs supported by the endowment while maintaining the purchasing power of the endowment assets. The endowment has been invested in the Community Foundation; and therefore, asset management is governed by the investment policies and appropriations are limited to the spending policies of the Community Foundation. Currently, the endowment fund is subject to an annual spending rate of 4.50%.

Activity in the endowment by net asset class for the years ended June 30, 2021 and 2020 is summarized as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Funds at June 30, 2019	$14,191	$3,007	$17,198
Change in value of beneficial interest in assets held by Community Foundation	(590)	(125)	(715)
Endowment Funds at June 30, 2020	13,601	2,882	16,483
Change in value of beneficial interest in assets held by Community Foundation	5,368	1,137	6,505
Endowment Funds at June 30, 2021	$18,969	$4,019	$22,988

NOTE 7 - LOANS AND REFUNDABLE GRANTS

The Organization has loan agreements with the City of Fort Wayne (City) for the rehabilitation and construction of six homes. The loan agreements call for costs incurred in the rehabilitation or construction of homes to be loaned to the Organization. Upon completion of the homes and the property being occupied by qualified tenants, the funds advanced to the Organization under the agreement for each property were formalized as promissory notes between the Organization and the City for either a 17- or 22-year period. The loan terms call for no interest or principal payments over the life of the loan with a maturity date in either January 2035 or January 2040 at which time the City may forgive the balance due. If the loan is forgiven, then any outstanding balance on the loan would be recognized as support without donor restrictions in the consolidated statements of activities. The loans are secured by each respective property. The Organization had loans outstanding in total of $348,188 related to these loan agreements as of June 30, 2021 and 2020.

NOTE 7 - LOANS AND REFUNDABLE GRANTS (CONTINUED)

The Organization also entered into a loan agreement in fiscal year 2014 with the City to receive up to $111,973 for the rehabilitation of one home. The rehabilitation was completed in fiscal year 2015 and formalized with a promissory note in the amount of $111,973. The note calls for no interest or principal payments with a maturity date in April 2034 at which time the City may forgive the balance due. The loan is secured by the property. The Organization had an amount outstanding of $111,973 as of June 30, 2021 and 2020.

The Organization received a private grant of $500,000 in fiscal year 2019 for investment in the partnership, BW at Renaissance Pointe, LLC, to acquire and develop properties through tax credit-based financing and provide transitional rental housing. The grant is conditional on maintaining compliance for qualified tenants and specified programming for a 15-year period ending in June 2034. Upon successful completion of the compliance period, the grant will become unconditional. At June 30, 2021 and 2020, the Organization recorded a long-term refundable grant of $500,000.

The Organization received a loan of $144,900 in April 2020 through the Paycheck Protection Program (PPP) established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act) and expanded and amended under the Consolidated Appropriations Act, 2021. Management believes this funding and current actions will allow the Organization to mitigate the impact of the outbreak in the short term. The loan bears interest at 1% and was scheduled to mature in April 2022. PPP loans, including accrued interest, are forgivable if the entity uses the proceeds for eligible purposes, including payroll, benefits, rent and utilities. The Organization received full forgiveness during fiscal year 2021 for the funds received and recognized $144,900 on the consolidated statement of activities as PPP loan forgiveness.

The Organization has a line of credit agreement with Old National Bank for maximum borrowings of $150,000. The agreement will mature in March 2022 and outstanding borrowings bear interest at the Prime Rate (3.25% as of June 30, 2021) and are secured by substantially all of the Organization's assets. There were no borrowings outstanding at June 30, 2021 and 2020.

NOTE 8 - NET ASSETS

Net Assets Without Donor Restrictions:

Net assets without donor restrictions consisted of the following as of June 30, 2021 and 2020:

	2021	2020
Board-designated endowment fund	$ 18,969	$ 13,601
Board-designated for future capital and operational needs	297,316	122,704
Board-designated for future purchase and maintenance of homes	73,356	73,356
Invested in property and equipment, net of related debt	1,976,795	2,091,322
Undesignated	175,458	(165,779)
Total Net Assets Without Donor Restrictions	$2,541,894	$2,135,204

NOTE 8 - NET ASSETS (CONTINUED)

Net Assets With Donor Restrictions:

Net assets with donor restrictions consisted of the following as of June 30, 2021 and 2020:

	2021	2020
Subject to Expenditures for Specified Purpose:		
Village Phase II Rental Home Program:		
Family enhancement		$ 2,351
Home purchases and improvements	$129,600	135,600
Mural Project and other	13,631	3,631
Vincent House:		
Food and shelter		54,403
Youth Services:		
Child and family services	11,900	5,262
	155,131	201,247
Subject to the Passage of Time:		
Promises to give or grants that are not restricted by donors, but which are unavailable for expenditure until due	202,000	146,500
Endowment Subject to Appropriation – Available for General Use	4,019	2,882
Total Net Assets With Donor Restrictions	$361,150	$350,629

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by donors as follows for the years ended June 30, 2021 and 2020:

	2021	2020
Expiration of time restrictions	$169,261	$ 95,000
Satisfaction of Purpose Restrictions:		
Vincent Village Phase II Rental Program:		
Family enhancement	2,351	11,795
Home purchases and improvements		79,941
Capital improvements	24,924	
Other	18,357	43,821
Vincent House:		
Food and shelter	139,936	107,514
Youth Services:		
Parent and teacher program		12,000
Child and family services	10,362	18,868
Total Net Assets Released from Restriction	$365,191	$368,939

NOTE 9 - LEASES

The Organization rents and utilizes a building for programming and maintenance from an unrelated third party. A fair rental value of $1,500 per month has been established by the Board. The unrelated third party donated the rent as in-kind space rental of $18,000 for the years ended June 30, 2021 and 2020. The agreement expires in April 2028 and is cancelable by either party, without penalty, with ninety days written notice.

NOTE 9 - LEASES (CONTINUED)

The Organization entered into an agreement with an unrelated third-party to rent space in the St. Hyacinth building effective July 1, 2019 and expiring on July 31, 2032, unless terminated by either party with a sixty-day notice. The agreement requires monthly payments of $3,333. Total revenue recognized from the above lease agreements was $39,996 for the years ended June 30, 2021 and 2020.

The Organization also receives rents from individuals and families for the use of rooms at Vincent House Shelter or houses located throughout Vincent Village. These rents are based on lease agreements renewed on an annual basis. Total revenue earned from these agreements was $109,407 and $115,707 for the years ended June 30, 2021 and 2020, respectively.

NOTE 10 - PENSION PLAN

Vincent Village, Inc. provides a SIMPLE IRA plan which covers all employees and provides for a match of 3% of an employee's eligible compensation. All plan participants are permitted to make salary reduction contributions to the Plan. The total contributions for the years ended June 30, 2021 and 2020 were $3,869 and $4,061, respectively.