TRUSTEES OF ELIOT SCHOOL
Jamaica Plain, Massachusetts

FINANCIAL STATEMENTS

For the Years Ended
June 30, 2021 and 2020

ROBERT M. HURST, CPA, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
Newton Centre, Massachusetts

TRUSTEES OF ELIOT SCHOOL

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Independent Auditor's Report on Financial Statements

To the Board of Directors of
Trustees of Eliot School
Jamaica Plain, Massachusetts

We have audited the accompanying financial statements of Trustees of Eliot School (a nonprofit organization) which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements referred to above present fairly, in all material respects, the financial position of Trustees of Eliot School as of June 30, 2021, 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.

Report on Summarized Comparative Information

We have previously audited Trustees of Eliot School and our report dated February 1, 2021, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Robert M Hurst CPA PC

Newton Centre, Massachusetts
March 3, 2022

TRUSTEES OF ELIOT SCHOOL

STATEMENTS OF FINANCIAL POSITION

AS OF JUNE 30, 2021 AND 2020

ASSETS

	2021	2020
Current Assets		
Cash and cash equivalents	$ 812,793	$ 238,075
Accounts receivable	16,900	16,538
Employee retention credit receivable	132,675	
Investments	2,207,065	1,710,893
Prepaid expenses	17,960	13,880
Total Current Assets	3,187,393	1,979,386
Property and Equipment		
Land improvements	16,959	16,959
Building improvements	325,214	302,158
Machinery and equipment	219,311	250,969
Website	161,948	161,948
Furniture and fixtures	67,936	41,753
	791,368	773,787
Less Accumulated Depreciation	(425,632)	(380,334)
Total Property and Equipment	365,736	393,453
TOTAL ASSETS	$3,553,129	$2,372,839

See accompanying notes to financial statements.

TRUSTEES OF ELIOT SCHOOL

STATEMENTS OF FINANCIAL POSITION

AS OF JUNE 30, 2021 AND 2020

LIABILITIES AND NET ASSETS

	2021	2020
Current Liabilities		
Accounts payable	$ 21,396	$ 7,672
Sub-lease deposits	2,200	2,700
Accrued expenses	16,859	37,955
Current portion of long-term debt	53,453	6,595
Total Current Liabilities	93,908	54,922
Long-Term Debt	504,517	196,097
Net Assets		
Without donor restrictions	2,118,604	1,585,209
With donor restrictions	836,100	536,611
Total Net Assets	2,954,704	2,121,820
TOTAL LIABILITIES AND NET ASSETS	$3,553,129	$2,372,839

TRUSTEES OF ELIOT SCHOOL

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2021

	Without Donor Restrictions	With Donor Restrictions	2021 Total
Revenue and Support			
Tuition and fees	$ 72,622	$	$ 72,622
Contracts		237,378	237,378
Grants		766,113	766,113
Contributions	214,234	44,523	258,757
Miscellaneous income	8,872		8,872
Contributions-in-kind	13,919		13,919
Operating Revenue and Support	309,647	1,048,014	1,357,661
Net Assets Released from Restrictions			
Satisfaction of time restrictions	875,071	(875,071)	-
Net Revenue and Support	1,184,718	172,943	1,357,661
Expenses			
Program services	657,015		657,015
Management and general	319,706		319,706
Fundraising	155,376		155,376
Total Expenses	1,132,097		1,132,097
Change in Net Assets from Operations	52,621	172,943	225,564
Other Income			
Grant income – employee retention credit	132,675		132,675
Net return on investments	348,099	126,546	474,645
Total Other Income	480,774	126,546	607,320
Change in Net Assets	533,395	299,489	832,884
Net Assets – beginning of year	1,585,209	536,611	2,121,820
Net Assets – end of year	$2,118,604	$ 836,100	$2,954,704

See accompanying notes to financial statements.

TRUSTEES OF ELIOT SCHOOL

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2020

	Without Donor Restrictions	With Donor Restrictions	2020 Total
Revenue and Support			
Tuition and fees	$ 303,290	$	$ 303,290
Contracts		314,700	314,700
Grants		520,100	520,100
Contributions	302,595	23,985	326,580
Miscellaneous income	1,179		1,179
Contributions-in-kind	50,292		50,292
Operating Revenue and Support	657,356	858,785	1,516,141
Net Assets Released from Restrictions			
Satisfaction of time restrictions	870,815	(870,815)	-
Net Revenue and Support	1,528,171	(12,030)	1,516,141
Expenses			
Program services	1,232,413		1,232,413
Management and general	240,002		240,002
Fundraising	155,144		155,144
Total Expenses	1,627,559		1,627,559
Change in Net Assets from Operations	(99,388)	(12,030)	(111,418)
Other Income			
Grant income – employee retention credit			
Net return on investments	46,870	31,859	78,729
Total Other Income	46,870	31,859	78,729
Change in Net Assets	(52,518)	19,829	(32,689)
Net Assets – beginning of year	1,637,727	516,782	2,154,509
Net Assets – end of year	$1,585,209	$ 536,611	$2,121,820

TRUSTEES OF ELIOT SCHOOL

STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEARS ENDED JUNE 30, 2021

	Program Services	Management and General	Fundraising	Total 2021
Salaries	$ 301,601	$ 175,347	$ 90,560	$ 567,508
Consultants	63,034	59,108	26,830	148,972
Payroll taxes	27,813	16,010	9,479	53,302
Marketing	3,372	15,650	2,854	21,876
Tools and supplies	38,701		2,887	41,588
Depreciation and amortization	85,164			85,164
Repairs and maintenance	36,162			36,162
Rent expense	39,343			39,343
Employee benefits	17,397	7,901	7,514	32,812
Scholarships granted	150			150
Bad debt				
Office expense	1,634	16,707	2,645	20,986
Travel and refreshments	5,725	699		6,424
Credit card fees		269	284	553
Insurance	21,963	2,440		24,403
Printing	5,984	330	7,254	13,568
Utilities	6,676	742		7,418
Postage	317	1,722	5,069	7,108
Miscellaneous		1,203		1,203
Internet and telephone expense		8,701		8,701
Professional fees	125	7,200		7,325
Interest expense		5,677		5,677
Staff training	1,496			1,496
Cori reports	358			358
Total Expenses	$ 657,015	$ 319,706	$ 155,376	$1,132,097

See accompanying notes to financial statements.

TRUSTEES OF ELIOT SCHOOL

STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2020

	Program Services	Management and General	Fundraising	Total 2020
Salaries	$ 735,394	$ 136,927	$ 71,259	$ 943,580
Consultants	70,691	33,447	26,937	131,075
Payroll taxes	68,167	12,690	6,603	87,460
Marketing	52,107	6,877	20,482	79,466
Tools and supplies	60,372			60,372
Depreciation and amortization	80,193			80,193
Repairs and maintenance	13,172			13,172
Rent expense	36,536			36,536
Employee benefits	23,323	4,342	2,259	29,924
Scholarships granted	16,225			16,225
Bad debt	14,050			14,050
Office expense	585	16,595	2,134	19,314
Travel and refreshments	21,439	2,678	791	24,908
Credit card fees	1,919			1,919
Insurance	17,224	1,913		19,137
Printing	614	1,353	13,506	15,473
Utilities	10,744	1,194		11,938
Postage	3,371	1,108	11,011	15,490
Miscellaneous	4,941	804	162	5,907
Internet and telephone expense		8,496		8,496
Professional fees		10,036		10,036
Interest expense		1,542		1,542
Staff training	625			625
Cori reports	721			721
Total Expenses	$1,232,413	$ 240,002	$ 155,144	$1,627,559

TRUSTEES OF ELIOT SCHOOL

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
Cash Provided By (Used In) Operating Activities		
Change in Net Assets	$ 832,884	$ (32,689)
Adjustments to Reconcile Change in Net Assets to Net Cash Used For Operating Activities		
Net realized and unrealized gains on investments	(496,172)	39,694
Depreciation and amortization	85,164	80,193
(Increase) Decrease In Operating Assets		
Accounts receivable	(362)	57,308
Employee retention credit receivable	(132,675)	
Prepaid expenses	(4,080)	(6,000)
Increase (Decrease) In Operating Liabilities		
Accounts payable	13,725	(52,569)
Sub-lease deposits	(500)	
Accrued expenses	(21,097)	4,804
Net Cash Provided By (Used In) Operating Activities	276,887	90,741
Cash Used In Investing Activities		
Purchase of property and equipment	(57,447)	(128,115)
Net Cash Used In Investing Activities	(57,447)	(128,115)
Cash Provided By (Used In) Financing Activities		
PPP loan proceeds	205,537	202,692
Proceeds from EIDL loan	150,000	
Payment on EIDL loan	(259)	
Proceeds from line of credit		190,000
Payments on line of credit		(190,000)
Net Cash Provided By Financing Activities	355,278	202,692
Net Increase in Cash	574,718	165,318
Cash and Cash Equivalents - beginning of year	238,075	72,757
Cash and Cash Equivalents - end of year	$ 812,793	$ 238,075

See accompanying notes to financial statements.

TRUSTEES OF ELIOT SCHOOL

STATEMENTS OF CASH FLOWS - SUPPLEMENTAL INFORMATION

FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Interest Expense

The Organization paid interest expense in the amount of $5,677 and $1,542 for the years ended June 30, 2021 and 2020, respectively.

(A) Summary of Significant Accounting Policies

Nature of Organization

Trustees of Eliot School is a Massachusetts nonprofit corporation founded in 1676 and incorporated in 1803, located in Jamaica Plain, Massachusetts. The Organization offers arts and crafts courses to people of all ages from the local and surrounding communities. The Organization offers Programs including: School & Community Partnership Programs, Teen Bridge Programs, Artists in Residence Programs and Professional Development Workshops.

Basis of Accounting and Financial Statement Presentation

The financial statements have been prepared in accordance with generally accepted accounting standards and principles (U.S. GAAP) established by the Financial Accounting Standards Board (FASB). The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. These standards require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions – Net assets available that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors, and grantors. Some 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.

Use of Estimates and Assumptions

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

(A) Summary of Significant Accounting Policies (continued)

Grants, Contributions and Contract Revenue

Grants and contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Conditional promises to give are recognized as support when the conditions which they depend are substantially met. Grants and contributions that are restricted by the donor are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Organization operates some of its programs under various contracts with the Commonwealth of Massachusetts. Revenue is recognized as services are provided and is recorded at the estimated net realizable amounts.

Contributed Goods and Services

The Organization records various types of in-kind support including contributed professional services, advertising and materials. Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donations.

Revenue Recognition

Revenue from unrestricted grants is recorded as without donor restrictions. Revenue from restricted grants is recorded as with donor restrictions. When a restriction expires, the net assets are reclassified to net assets without donor restrictions.

Accounts Receivable

Accounts receivable are presented net of allowance for doubtful accounts. The Organizations periodic evaluation of the adequacy of the allowance is based on past experience and an assessment of current economic conditions. Accounts receivable are charged off when deemed uncollectible. There was no allowance for doubtful accounts for the years ended June 30, 2021 or 2020.

(A) Summary of Significant Accounting Policies (continued)

New Accounting Pronouncement

The Organization has adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2018-08 Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605), as amended. ASU No. 2018-08 was issued to make it easier for Not-for-Profit organizations to evaluate whether gifts, grants or contracts should be accounted for as contributions or as reciprocal (exchange) transactions.

Under the new guidance, all organizations are required to evaluate whether the resource provider, i.e., government agency, foundation, corporation, etc., is receiving commensurate value in a transfer of resources, i.e., assets or reduction/settlement of liabilities, and whether contributions are conditional or unconditional. If commensurate value is received by the resource provider, the transaction is to be accounted for as an exchange transaction. If commensurate value is not received by the resource provider, ie., the transaction is nonexchange, the recipient organization would determine the transaction to be a contribution and determine whether the contribution is unconditional or conditional. The standard improves the usefulness and understandability of the Organization's financial reporting.

Income Taxes

Trustees of Eliot School is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC) and a comparable State of Massachusetts statute. In addition, the Organization has been determined by the Internal Revenue Service (IRS) to be qualified for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Fair Value Measurements

Financial Accounting Standards Board (FASB) ASC 820, Fair Value Measurements, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that priorities 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

(A) Summary of Significant Accounting Policies (continued)

Fair Value Measurements (continued)

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 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 liabilities.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the assets 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.

The asset's 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.

The fair value of investments appearing on the statement of financial position has the following valuation approaches as defined by FASB ASC 820 hierarchy:

- Assets utilizing Level 1 inputs include money market, mutual funds, stocks, and exchange-traded and closed-end funds, which amounted in $2,207,065 and $1,710,893 as of June 30, 2021 and 2020, respectively.
- There are no liabilities utilizing Level 1 inputs.
- There are no assets and liabilities utilizing Level 2 inputs.
- There are no assets and liabilities utilizing Level 3 inputs.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been presented on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and administrative services benefited. Salaries and benefits expenses are allocated on a basis of time and effort. Depreciation, office, and occupancy expenses are allocated on a square footage basis.

(A) Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment are recorded at cost, if purchased, or if donated, at their estimated fair market value at the date of receipt. All acquisitions of property and equipment in excess of $1,000 and all expenditures for repairs, maintenance, and betterments that materially prolong the useful lives of assets are capitalized. The cost of maintenance, repairs, and minor renewals are expensed as incurred. Depreciation is computed using straight-line methods for tax and financial statement purposes over the estimated useful lives of the related assets. Estimated lives vary by asset category.

Accumulated depreciation consists of the following at June 30:

	2021	2020
Land improvements	$ 14,796	$ 13,725
Building improvements	104,701	98,247
Machinery and equipment	149,339	167,141
Website	133,299	81,806
Furniture and fixtures	23,497	19,415
Total	$425,632	$380,334

Land and Building

On May 30, 1690, John Eliot gifted 75 acres of land in what was then known as the Township of Roxbury, Massachusetts for the sole purpose of establishing a school for the teaching and instruction of children who were unable to attend existing schools. Over the years, certain parcels of land were sold to cover the school's operating costs and at present, the school's holdings have been reduced to approximately 40,000 square feet of land. Over the years the costs incurred in connection with the construction of the school building have been fully depreciated so that there is no present book value. The City of Boston has recently assessed the school property at $1,212,800 consisting of land in the amount of $753,800 and building at $459,000 based on the formula used for real estate tax assessment purposes. There are no know liens or encumbrances on the land and building.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

TRUSTEES OF ELIOT SCHOOL

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

(B) Significant Concentrations of Risk

The Organization maintains its cash and cash equivalents in various financial institutions in accounts, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

(C) Net Assets With Donor Restrictions

This amount represents revenue and support received as of the end of the fiscal year where the use has been restricted by the donors. The funds will be released upon compliance with the terms of the restriction as follows:

	2021	2020
Scholarship fund	$ 473,399	$348,569
Linde Family Foundation Grant	150,000	
New World Grant		30,000
Murray Family grant	15,000	
Jennifer Johnston grant	1,000	
Capital fund	196,701	158,042
Total Net Assets with Donor Restrictions	$ 836,100	$536,611

(D) Prepaid Expenses

This account represents payments made for expenses which will benefit future accounting periods as follows at June 30:

	2021	2020
Rent	$ 14,460	$ 10,380
Security deposit	3,500	3,500
Total Prepaid Expenses	$ 17,960	$ 13,880

(E) Net Return on Investments

Investments are stated at fair value. The majority of investments consists of publicly traded common stock and bonds of major United States corporations. Fair values and unrealized gains and losses are as follows at June 30:

2021	Cost	Fair Value	Unrealized Gain/(Loss)
Cash and cash equivalents	$ 143,043	$ 143,043	$ -
Stocks and mutual funds	1,281,752	1,673,229	391,477
Corporate bonds	360,642	362,295	1,653
US Treasury notes and bonds	26,765	28,498	1,733
	$1,812,202	$2,207,065	$ 394,863

2020	Cost	Fair Value	Unrealized Gain
Cash and cash equivalents	$ 249,003	$ 249,003	$ -
Stocks and mutual funds	800,334	1,115,153	314,819
Corporate bonds	242,152	252,332	10,180
US Treasury notes and bonds	90,660	94,405	3,745
	$1,382,149	$1,710,893	$ 328,744

The following schedule summarizes the investment returns and its classification in the statement of activities for the years ended:

	2021	2020
Realized gains	$ 116,647	$138,881
Unrealized gains	339,793	(82,750)
Interest income	9,485	12,918
Dividend income	20,405	20,899
Total Investment Income	486,330	89,948
Less investment expense	(11,685)	(11,219)
Net return on Investments	$ 474,645	$ 78,729

(F) Line of Credit - Bank

On May 2, 2019 the Organization entered into a Line of Credit and Security Agreement with East Boston Savings Bank in the amount of $150,000 or 70% of pledged collateral. The loan is secured by the assets of the Organization and can be used for working capital purposes only. The terms of the loan stipulate interest computed using Wall Street Journal Prime Rate. As of June 30, 2021 and 2020, there was no outstanding balance.

(G) Long-Term Debt

As of June 30, 2021 the Organization had the following long-term debt:

	2021	2020
Unsecured term loan dated April 28, 2020, due to the Small Business Administration (SBA) as part of the Coronavirus Aid, Relief and Economic Security Act's Paycheck Protection Program (PPP). All payments are deferred until the Organization receives notification from the S BA as to the amount of the loan that is forgiven. Thereafter, monthly principal payments of $3,378.20, plus interest at one percent per annum, which approximates the effective interest rate, through May 1, 2026. The loan terms provide that a portion or all of the loan is forgivable to the extent that the Organization uses the loan proceeds to fund qualifying payroll, interest, rent and utilities during an 8 or 24 week period. In 2021, the Organization will submit a request to the SBA for forgiveness of the entire loan balance of $202,692.	$202,692	$202,692
Unsecured term loan dated March 30, 2021, due to the Small Business Administration (SBA) as part of the Coronavirus Aid, Relief and Economic Security Act's Paycheck Protection Program (PPP). All payments are deferred until the Organization receives notification from the S BA as to the amount of the loan that is forgiven. Thereafter, monthly principal payments of $3,425.61, plus interest at one percent per annum, which approximates the effective interest rate, through May 1, 2026. The loan terms provide that a portion or all of the loan is forgivable to the extent that the Organization uses the loan proceeds to fund qualifying payroll, interest, rent and utilities during an 8 or 24 week period.	205,537	

(G) Long-Term Debt (continued)

	2021	2020
Economic Injury Disaster Loan (EIDL) dated June 26, 2020 due the Small Business Administration (SBA) payable in monthly installments beginning June 26, 2022 of $641 including interest computed at the rate of 2.75%, final payment due June 26, 2052, secured by the assets of the Organization.	149,741	
	557,970	202,692
Less current portion	(53,453)	(6,595)
Long-term debt	$504,517	$196,097

At June 30, 2021 aggregate maturities of long-term debt are as follows:

Year Ending June 30,	Amount
2022	$ 53,453
2023	83,893
2024	84,796
2025	85,707
2026	79,696
Thereafter	170,425
Total Debt	$557,970

(H) Lease - Office Space

On June 28, 2017 the Organization entered into a 64-month lease agreement with Amory Street Trust covering 1,530 square feet of office space located at 253 Amory Street, Jamaica Plain, Massachusetts. The terms of the lease stipulate a security deposit of $3,500 and last month's rent of $4,380.

Year Ending June 30,	Amount
2022	$ 52,160
2023	17,520
Total Minimum Annual Rentals	$ 69,680

(I) Retirement Plan

The Organization entered into an agreement with the Commonwealth of Massachusetts Office of the Treasurer and Receiver General to participate in the Massachusetts Defined Contribution 401(K) CORE Plan. All employees are eligible to participate in the plan. In accordance with the terms of the Plan, eligible employees may elect to defer up to 6% of compensation the first year with a 1% escalation each year thereafter up to 15%. The Organization has elected to match 100% of the employees' elective deferrals that do not exceed the first 3% of the employees' compensation for the plan year plus 50% of the elective deferrals that do not exceed the next 2% of the employees' compensation. The Organizations contribution to the Plan aggregated $3,681 for the year ended June 30, 2021.

(J) Availability and Liquidity

The following represents the Organization's financial assets that are available to meet general expenses over the subsequent 12 months:

Cash and cash equivalents	$ 812,793
Investments	2,207,065
Accounts receivable	16,900
	3,036,758
Less those unavailable for expenditures due to Donor-imposed restrictions	(836,100)
Financial assets available to meet cash needs for General expenditures within one year	$ 2,200,658

The Organization's liquidity management policy is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In the event of an unanticipated liquidity need, the Organization can draw upon its $150,000 line of credit, which was unused at June 30, 2021 and as of the date of the financial statements.

(K) Subsequent Events

ASC 855-10, *Subsequent Events*, defines further disclosure requirements for events that occur after the statement of financial position date, but before financial statements are issued. In accordance with ASC 855-10, the Organization's management has evaluated events subsequent to June 30, 2021 to March 3, 2022, which is the date the financial statements were available to be issued. There were no material events noted during this period that would impact the results reflected in this report.

COVID-19

Due to the ongoing public health emergency and restrictions, all tuition-based classes are suspended until further notice. The Teen Bridge, Artist in Residence and Youth Programs are currently working online. As a result of COVID-19 economic uncertainties have arisen which are likely to impact operations. The potential operational and financial performance impact is unknown at this time.

Paycheck Protection Program Loan Forgiveness

On July 12, 2021 the first Paycheck Protection Program Loan (PPP loan) dated May 1, 2020 in the amount of $202,692 was forgiven by the Small Business Administration.