

# North Lawndale Employment Network and Subsidiaries

Independent Auditor's Report and Consolidated Financial Statements  
June 30, 2021 and 2020

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**AUDIT REPORT**



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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees of  
North Lawndale Employment Network

We have audited the accompanying consolidated financial statements of North Lawndale Employment Network (a nonprofit organization) and Subsidiaries (combined, "the Organization"), which comprise the consolidated statement of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the consolidated financial statements.

**Management's Responsibility for the 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 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 consolidated financial statements based on our audit. We conducted our audit 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 auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 financial position of North Lawndale Employment Network and Subsidiary as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Supplementary Schedules of NLEN Support Corporation is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

*Lopez & Co. CPAs Ltd*

Chicago, IL

June 14, 2022

**NORTH LAWDALE EMPLOYMENT NETWORK  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS OF JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<b>ASSETS:</b>		
Cash and Cash Equivalents	\$ 4,775,710	\$ 2,632,241
Accounts Receivable	29,608	10,366
Inventory	21,668	32,154
Contracts Receivable	71,504	37,068
Grants Receivable	844,663	551,660
ERC Receivable	1,021,937	-
Capital Campaign Pledges Receivable	474,999	1,077,917
Prepaid Expenses	100	14,875
Construction in Progress	1,261,094	-
Property and Equipment, Net of Accumulated Depreciation	5,869,235	1,578,413
Notes Receivable	-	-
Intangible Assets	5,597,600	-
	351,101	-
<b>Total Assets</b>	<u><u>20,319,219</u></u>	<u><u>5,934,694</u></u>
 <b>LIABILITIES AND NET ASSETS:</b>		
<u>Liabilities</u>		
Accounts Payable	113,462	70,946
Accrued Payroll	67,835	86,449
Accrued Interest	171,040	-
Deferred Revenue	163,647	161,221
Paycheck Protection Program Loan	49,596	693,360
Loan Payable	13,240,000	500,000
Total Liabilities	<u>13,805,580</u>	<u>1,511,976</u>
 <u>Net Assets</u>		
Without Donor Restrictions	6,202,552	(129,199)
With Donor Restrictions	311,087	4,551,917
Total Net Assets	<u>6,513,639</u>	<u>4,422,718</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 20,319,219</u></u>	<u><u>\$ 5,934,694</u></u>

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

**NORTH LAWDALE EMPLOYMENT NETWORK  
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED JUNE 30, 2021**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>PUBLIC SUPPORT:</b>			
Grants and Contributions	\$ 2,919,563	\$ 2,272,022	\$ 5,191,585
Government and Corporate Contracts	1,713,256	-	1,713,256
Special Events	295,905	-	295,905
Membership Dues	2,800	-	2,800
Donated Legal	140,844	-	140,844
	<hr/>	<hr/>	<hr/>
<b>Total Public Support</b>	<b>5,072,368</b>	<b>2,272,022</b>	<b>7,344,390</b>
<b>REVENUE:</b>			
Net Sales - Sweet Beginnings, LLC	246,625	-	246,625
Investment Income	418	-	418
Other Income	7,803	-	7,803
Rental Income	14,293	-	14,293
Net Assets Released from Restrictions	6,512,852	(6,512,852)	-
	<hr/>	<hr/>	<hr/>
<b>Total Revenue</b>	<b>6,781,991</b>	<b>(6,512,852)</b>	<b>269,139</b>
	<hr/>	<hr/>	<hr/>
<b>Total Public Support and Revenue</b>	<b>11,854,359</b>	<b>(4,240,830)</b>	<b>7,613,529</b>
<b>EXPENSES:</b>			
Program Services - NLEN	3,342,909	-	3,342,909
Program Services - SB	413,042	-	413,042
Program Services - Beelove Cafe	13,866	-	13,866
Management and General	726,571	-	726,571
Fundraising	1,026,220	-	1,026,220
	<hr/>	<hr/>	<hr/>
<b>Total Expenses</b>	<b>5,522,608</b>	<b>-</b>	<b>5,522,608</b>
	<hr/>	<hr/>	<hr/>
<b>CHANGE IN NET ASSETS:</b>	<b>6,331,751</b>	<b>(4,240,830)</b>	<b>2,090,921</b>
<b>TOTAL NET ASSETS:</b>			
Net Assets, Beginning of Year	(129,199)	4,551,917	4,422,718
	<hr/>	<hr/>	<hr/>
Net Assets, End of Year	<u>\$ 6,202,552</u>	<u>\$ 311,087</u>	<u>\$ 6,513,639</u>

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

**NORTH LAWDALE EMPLOYMENT NETWORK  
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED JUNE 30, 2020**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>PUBLIC SUPPORT:</b>			
Grants and Contributions	\$ 1,874,216	\$ 2,506,504	\$ 4,380,720
Government and Corporate Contracts	403,739	-	403,739
Special Events	486,889	-	486,889
Donated Legal	117,344	-	117,344
	<hr/>	<hr/>	<hr/>
<b>Total Public Support</b>	<b>2,882,188</b>	<b>2,506,504</b>	<b>5,388,692</b>
<b>REVENUE:</b>			
Net Sales - Sweet Beginnings, LLC	217,204	-	217,204
Investment Income	3,392	-	3,392
Other Income	57,999	-	57,999
Rental Income	3,573	-	3,573
Net Assets Released from Restrictions	2,136,033	(2,136,033)	-
	<hr/>	<hr/>	<hr/>
<b>Total Revenue</b>	<b>2,418,201</b>	<b>(2,136,033)</b>	<b>282,168</b>
	<hr/>	<hr/>	<hr/>
<b>Total Public Support and Revenue</b>	<b>5,300,389</b>	<b>370,471</b>	<b>5,670,860</b>
<b>EXPENSES:</b>			
Program Services - NLEN	3,393,343	-	3,393,343
Program Services - SB	468,935	-	468,935
Management and General	722,165	-	722,165
Fundraising	969,678	-	969,678
	<hr/>	<hr/>	<hr/>
<b>Total Expenses</b>	<b>5,554,121</b>	<b>-</b>	<b>5,554,121</b>
	<hr/>	<hr/>	<hr/>
<b>CHANGE IN NET ASSETS:</b>	<b>(253,732)</b>	<b>370,471</b>	<b>116,739</b>
<b>TOTAL NET ASSETS:</b>			
Net Assets, Beginning of Year	124,533	4,181,446	4,305,979
	<hr/>	<hr/>	<hr/>
Net Assets, End of Year	<u>\$ (129,199)</u>	<u>\$ 4,551,917</u>	<u>\$ 4,422,718</u>

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

**NORTH LAWDALE EMPLOYMENT NETWORK  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in Net Assets	\$ 2,090,921	\$ 116,739
Adjustments to Reconcile Change in Net Assets to		
Cash Provided (Used) by Operating Activities:		
Depreciation	11,307	13,869
(Increase) Decrease in Contract Receivable	(34,436)	158,728
(Increase) Decrease in Grants Receivable	(293,003)	(296,482)
(Increase) Decrease in ERC Receivable	(1,021,937)	-
(Increase) Decrease in Notes Receivable	(5,597,600)	-
(Increase) Decrease in Capital Campaign Pledges Receivable	602,918	1,080,083
(Increase) Decrease in Accounts Receivable	(19,242)	8,508
(Increase) Decrease in Inventory	10,486	16,626
(Increase) Decrease in Closing Costs	(351,101)	-
(Increase) Decrease in Prepaid Expenses	14,775	(11,207)
(Increase) Decrease in Construction in Progress	(1,261,094)	-
Increase (Decrease) in Accounts Payable	42,516	(65,246)
Increase (Decrease) in Accrued Payroll	(18,614)	15,284
Increase (Decrease) in Accrued Interest	171,040	(43,405)
Increase (Decrease) in Escrow	2,426	122,953
Net Cash Provided (Used) by Operating Activities	<u>(5,650,638)</u>	<u>1,116,450</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Investment in Property and Equipment	<u>(4,302,129)</u>	<u>(669,424)</u>
Net Cash Provided (Used) by Investing Activities	<u>(4,302,129)</u>	<u>(669,424)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from Paycheck Protection Program Loan	-	693,360
Paydown on Paycheck Protection Program Loan	(643,764)	-
Proceeds from Loan Payable	12,740,000	-
Paydown on Loan Payable	<u>-</u>	<u>(1,200,000)</u>
Net Cash Provided (Used) by Financing Activities	<u>12,096,236</u>	<u>(506,640)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	2,143,469	(59,614)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>2,632,241</u>	<u>2,691,855</u>
CASH AND CASH EQUIVALENTS - End of Year	<u>\$ 4,775,710</u>	<u>\$ 2,632,241</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash Paid for Interest	<u>\$ 193,288</u>	<u>\$ 56,740</u>

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



**NORTH LAWDALE EMPLOYMENT NETWORK  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2021**

	<u>Program Services</u>						
	<b>North</b>						
	<b>Lawndale</b>	<b>Sweet</b>		<b>Total</b>	<b>Management</b>		
	<b>Employment</b>	<b>Beginnings,</b>		<b>Programs</b>	<b>and General</b>	<b>Fundraising</b>	<b>Total</b>
	<b>Network</b>	<b>LLC</b>	<b>beelove Café</b>				
Salaries and Fringe Benefits	\$ 2,284,617	\$ 174,502	\$ 9,170	\$ 2,468,289	\$ 338,212	\$ 551,951	\$ 3,358,452
Professional Fees	287,675	29,179	371	317,225	53,309	96,781	467,315
Occupancy	197,194	-	-	197,194	20,916	185,696	403,806
Payroll Taxes	194,869	12,525	-	207,394	31,312	35,431	274,137
Cost of Goods Sold	-	176,721	2,479	179,200	-	-	179,200
Printing, Publications, and Marketing	3,106	3,653	-	6,759	1,835	14,124	22,718
Member and Community Reinvestment Costs	79,700	-	-	79,700	-	5,962	85,662
Office Equipment Rental and Purchase	121,091	-	1,846	122,937	898	19,928	143,763
Special Events Expense	-	-	-	-	233	81,665	81,898
Office Expense	36,319	5,518	-	41,837	27,629	7,733	77,199
Meeting Expense	11,718	407	-	12,125	3,588	4,694	20,407
Insurance	34,481	7,338	-	41,819	12,933	6,603	61,355
Telephone	85,464	3,199	-	88,663	16,019	9,741	114,423
Interest	-	-	-	-	193,288	-	193,288
Conference and Workshops	5,279	-	-	5,279	14,783	5,911	25,973
Depreciation	-	-	-	-	11,307	-	11,307
Postage and Delivery	1,396	-	-	1,396	309	-	1,705
Bad Debt Expense	-	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$ 3,342,909</b>	<b>\$ 413,042</b>	<b>\$ 13,866</b>	<b>\$ 3,769,817</b>	<b>\$ 726,571</b>	<b>\$ 1,026,220</b>	<b>\$ 5,522,608</b>

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

**NORTH LAWDALE EMPLOYMENT NETWORK  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2020**

	<b>Program Services</b>					
	<b>North</b>					
	<b>Lawndale</b>	<b>Sweet</b>	<b>Total</b>	<b>Management</b>		
	<b>Employment</b>	<b>Beginnings,</b>	<b>Programs</b>	<b>and General</b>	<b>Fundraising</b>	<b>Total</b>
	<b>Network</b>	<b>LLC</b>				
Salaries and Fringe Benefits	\$ 2,149,169	\$ 159,434	\$ 2,308,603	\$ 421,708	\$ 371,285	\$ 3,101,596
Professional Fees	282,744	32,521	315,265	157,615	160,763	633,643
Occupancy	213,827	-	213,827	13,905	47,656	275,388
Payroll Taxes	162,549	12,131	174,680	24,488	26,416	225,584
Cost of Goods Sold	-	218,896	218,896	-	-	218,896
Printing, Publications, and Marketing	2,778	6,010	8,788	1,700	146,897	157,385
Member and Community Reinvestment Costs	153,891	-	153,891	2,993	-	156,884
Office Equipment Rental and Purchase	138,207	-	138,207	-	4,736	142,943
Special Events Expense	5,244	-	5,244	580	133,267	139,091
Office Expense	93,051	8,817	101,868	15,252	6,465	123,585
Meeting Expense	75,483	3,952	79,435	20,725	19,038	119,198
Insurance	43,296	4,838	48,134	33,925	8,861	90,920
Telephone	63,709	1,797	65,506	9,472	5,193	80,171
Interest	-	20,140	20,140	-	36,600	56,740
Conference and Workshops	8,234	-	8,234	4,181	1,946	14,361
Depreciation	-	-	-	13,869	-	13,869
Postage and Delivery	1,161	-	1,161	1,752	555	3,468
Bad Debt Expense	-	399	399	-	-	399
<b>Total Expenses</b>	<b>\$ 3,393,343</b>	<b>\$ 468,935</b>	<b>\$ 3,862,278</b>	<b>\$ 722,165</b>	<b>\$ 969,678</b>	<b>\$ 5,554,121</b>

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

**NORTH LAWDALE EMPLOYMENT NETWORK**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 AND 2020**

**(1) History and Nature of Organization**

North Lawndale Employment Network (“NLEN”) is an Illinois not-for-profit incorporated in June 1999. NLEN partners with other community-based organizations, economic development agencies, and businesses to work together to meet the workforce development needs of North Lawndale residents and employers.

During fiscal year 2007, NLEN spun off its Sweet Beginnings program as a separate entity organized as Sweet Beginnings, LLC (“SB”). SB is wholly-owned by NLEN and offers full time transitional jobs for formerly incarcerated individuals and others with significant barriers to employment in a green industry – the production and sales of all-natural skin care products featuring its own urban honey. SB is considered a disregarded entity for tax purposes, and its purpose is directly related to the tax-exempt purpose of NLEN, thus creating no unrelated business income for NLEN and no taxable income for itself.

During fiscal year 2021, NLEN embarked up on its most ambitious project to date by acquiring the property located at 1111 S. Homan which includes opening the beelove café, a community coffee shop, which utilizes SB products and furthers the mission of NLEN by providing jobs to local residents as baristas. The building and the café opened in fiscal year 2022.

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

Consolidated Financial Statements

The consolidated financial statements include assets, liabilities, revenues, and expenses of North Lawndale Employment, Sweet Beginnings, LLC, Support Corporation and Beelove Café, (collectively referred to as “the Organization”). In 2015, NLEN and Sweet Beginning boards were consolidated into one single board overseeing both entities and operations. In 2021, Support Corporation and Beelove Café were created and are governed under common control by NLEN. As result, the financials have been prepared using the consolidation method. All material inter-company balances and transactions have been eliminated.

Basis of Presentation and Financial Statement Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles, generally accepted in the United States of America. The financial statements presentation follows the recommendation of the Financial Accounting Standards Board in its Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities (Topic 958)*. The Organization is required to report information regarding its financial position according to two classes of net assets:

Net Assets with Donor Restrictions: Net assets subject to donor imposed conditions that may or will be met by overcoming necessary barriers or restrictions of time. The Organization held \$311,087 and \$4,551,917 donor restricted net assets as of June 30, 2021, and 2020, respectively.

Net Assets without Donor Restrictions: Net assets available for use in general operations and not subject to donor-imposed restrictions.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets.

**NORTH LAWDALE EMPLOYMENT NETWORK**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 AND 2020**

Gains and losses on investments and other liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of restrictions on net assets are reported as reclassifications between applicable classes of assets.

Revenue Recognition and Accounts Receivable

The Organization accounts for contributions in accordance with FASB ASC 958-605, "Not-for-Profit Entities, Revenue Recognition" and "Accounting for Contributions Received and Contributions Made". Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized as revenue until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions from unconditional promises to give that are to be received after one year are discounted at an appropriate discount rate based on an average Federal Funds rate.

The Organization carries its contract, grant, capital campaign pledge receivables, and other receivables at the outstanding balance adjusted for the allowance for doubtful accounts. The allowance for the doubtful accounts is estimated based on the Organization's historical bad debt experience, the aging of receivables, and management's judgment. Accounts deemed uncollectible and charged to the allowance for doubtful accounts. As of June 30, 2021, and 2020, all amounts were deemed fully collectible within the next twelve months and as such, no allowance for doubtful accounts was recorded.

Cash and Cash Equivalents

The Organization considers cash on deposit at bank(s) and highly liquid investments with maturities of three months or less at the date of purchase to be cash and cash equivalents.

Prepaid Expenses

Expenses incurred in the subsequent period, but paid for in the current period are properly classified as prepaid expenses.

Inventories

Inventories are carried at the lower of costs or net realizable value with cost being determined by the first-in, first-out (FIFO) method.

Deferred Revenue

Deferred revenue includes the portion of grant revenues that have not been earned or conditions not met as of the report date.

Liquidity and Availability of Financial Assets

The Organization has \$7,607,341 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consisting of cash and cash equivalents of \$4,775,710, contracts receivable of \$71,504, grants receivable of \$884,663, employee retention credit receivable of \$1,410,858, capital campaign pledges receivable of \$474,998, and accounts receivable of \$29,608. \$311,087 of the Organization's net assets are subject to donor restrictions. In the event of unanticipated liquidity need, the Organization will seek external financing sources.

**NORTH LAWDALE EMPLOYMENT NETWORK**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 AND 2020**

Fixed Assets and Depreciation Expense

Property and equipment are recorded at historical cost. The Organization capitalizes fixed asset additions over \$2,500. Depreciation is computed on a straight-line basis over the useful lives of the assets generally as follows:

Leasehold Improvements	5 years
Capitalized Software	3 years
Computer Equipment	3 years
Vehicles	7 years
Furniture and Equipment	5-7 years

Maintenance and repairs, which neither materially add to the value of the property nor appreciably prolong its life, are charged to expense as incurred. Depreciation amounted to \$11,307 and \$13,869 at June 30, 2021 and 2020, respectively.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of functional expenses. Accordingly, certain costs have been allocated to specific program services based on direct benefit obtained. All remaining costs are considered general support to all programs and the Organization in general and are allocated based on estimates of time and effort.

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles in the United States 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 financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

NLEN is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes on related income. It qualifies for charitable contribution deductions under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). NLEN is no longer subject to U.S. federal, state and local income tax examination by tax authorities for all years since fiscal year 2018.

SB is a limited liability company which operates under a section of the federal and state income tax laws which provide that, in lieu of company-level income taxes, the members separately account for their pro rata shares of SB's income, deductions, losses, and credits. SB is however, subject to certain state and local taxes.

No provision has been made for amounts which may be advanced or paid as distributions to the members for income taxes. There were no distributions to member for taxes in 2021 and 2020.

**NORTH LAWDALE EMPLOYMENT NETWORK  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 AND 2020**

**(3) Contracts Receivable and Grants Receivable**

Contracts receivable at June 30, 2021, and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
City of Chicago	\$ 71,504	\$ 31,677
Illinois Department of Corrections	<u>-</u>	<u>5,391</u>
	<u>\$ 71,504</u>	<u>\$ 37,068</u>

Grants receivable at June 30, 2021, and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Heartland Alliance	\$ 377,578	\$ -
Chicago Cook Workforce Partners	285,660	117,578
Polk Bros. Foundation	50,000	-
Local Initiative Support Corporati	37,750	250,095
The Trust for Public Land	25,000	-
United Way of Metropolitan Chica	25,000	-
Lincoln Park Zoo	15,000	-
Old St. Patrick's Church	15,000	-
Wintrust Financial	10,350.00	-
Other	1,750	2,334
Women Employed Institute	1,575.00	
The Chicago Community Trust	-	50,000
Fry Foundation	-	40,000
Prosperity Now	-	23,333
The Judy Family Foundation	-	18,000
Fifth Third Bank	-	10,000
Annie E. Casey Foundation	-	10,000
PNC Foundation	-	9,500
Habilitative Systems, Inc.	-	9,320
PNC Bank	-	5,000
F.H. Paschen, Inc.	-	5,000
Sinai Community Institute	<u>-</u>	<u>1,500</u>
	<u>\$ 844,663</u>	<u>\$ 550,160</u>

**(4) Capital Campaign Pledges Receivable**

During 2019, NLEN launched “The Campaign that Works”, (“Capital Campaign”), to raise \$10,000,000 to assist in bringing together NLEN’s employment training programs, financial opportunity centers, and SB honey products operations into one new campus. NLEN believes the development of an all-encompassing campus will allow the Organization to increase its impact and create hope and opportunity for individuals seeking alternatives to unemployment and incarceration. Capital

**NORTH LAWDALE EMPLOYMENT NETWORK  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 AND 2020**

campaign pledges receivable was \$474,998, and \$1,077,917 for the years ended June 30, 2021, and 2020, respectively. The campus was put into productive use for fiscal year 2022.

**(5) Long Term Debt**

In 2021, NLEN entered into a loan in the amount of \$4,900,000 with IFF, an Illinois not-for-profit corporation, for the primary purpose of renovating a building to expand its operations in conjunction with the Capital Campaign launched by NLEN in 2019. The loan bears interest at 5.25% and is outstanding as of June 30, 2021. The loan is collateralized by the Capital Campaign pledges.

In 2019, NLEN entered into a loan in the amount of \$1,200,000 with IFF, an Illinois not-for-profit corporation, for the primary purpose of purchasing a building to expand its operations in conjunction with the Capital Campaign launched by NLEN in 2019. The loan bears interest at 6% and has matured in May 2020. The loan was collateralized by the purchased building. The principal balance on the loan was due at maturity. As of June 30, 2020, the loan was paid off.

In 2018, SB entered into a loan in the amount of \$500,000 with ARC Chicago, LLC for the primary purpose of expanding its business to hire low-income individuals with significantly high barriers to employment to help break the cycle of poverty; and further, to combat community deterioration in the economically depressed community of North Lawndale and other low-income communities in the City of Chicago at large. The loan bears interest at 4% and has a maturity date of July 2029. The loan is to be repaid in quarterly installments starting on October 1, 2022. As of June 30, 2021, \$500,000 of the loan was advanced to SB and remained outstanding.

All covenants were met or waived for the year ended June 30, 2021.

Principal payments due on long term debt during each of the next five years are as follows:

Years ending June 30:	
2022	\$ -
2023	53,571
2024	71,429
2025	71,429
2026	71,429
Thereafter	<u>232,142</u>
	<u>\$ 500,000</u>

**(6) Lease Commitments**

NLEN has operating leases for office space, warehouse storage space and copiers. In addition to base rent, NLEN is responsible for certain operating expenses. The various leases expire at varying dates through August 2023 with monthly rental payments ranging from \$2,266 to \$4,542. Rental expense was \$182,767, and \$172,916, for the years ended June 30, 2021, and 2020, respectively.

Additionally, NLEN has operating leases for the use of vehicles. The vehicle leases are for three year terms and expire at varying dates through April 2022 with monthly rental payments ranging from \$369 and \$971. Vehicle rental expense was \$55,769 and \$85,821 for the years ended June 30, 2021 and 2020, respectively.

**NORTH LAWNDALE EMPLOYMENT NETWORK  
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At June 30, 2021, the remaining annual minimum rental payments are as follows:

Years ending June 30:	
2022	\$ 31,992
Thereafter	<u>          -</u>
	<u><u>\$ 31,992</u></u>

**(7) Retirement Plan**

Prior to November 2018, NLEN sponsored a voluntary contribution retirement plan under Section 403(b) of the Internal Revenue Code (IRC). Substantially all employees were eligible to participate in the plan except for employees working less than twenty hours per week and student employees. Voluntary reductions were made from the salaries of participating employees and remitted to the financial institution of their choice. During November 2018, NLEN terminated the 403(b) Plan and implemented a new NLEN sponsored voluntary contribution retirement plan under section 401(k) of the IRC. The 401(k) Plan carries the same eligibility requirements as the previous 403(b) Plan. NLEN offers an employer dollar-for-dollar match not to exceed \$500 under the 401(k) Plan. Total expenses recorded for NLEN’s match was \$7,875, and \$7,500 respectively for the year ended June 30, 2021 and 2020.

**(8) Paycheck Protection Program**

On April 7, 2020, NLEN received loan proceeds in the amount of \$639,560 under the Paycheck Protection Program (“PPP”). On May 8, 2020, SB received loan proceeds in the amount of \$53,800. Established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), the PPP provides for loans to qualifying organizations in amounts up to 2.5 times NLEN’s average monthly payroll expenses. PPP loans and accrued interest are forgivable after a “covered period”, of 8 or 24 weeks, as long as the borrower maintains its payroll levels and uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities. The forgiveness amount will be reduced if the borrower terminates employees or reduces salaries during the covered period. Any unforgiven portion of a PPP loan is payable over two years at an interest rate of 1%, with a deferral of payments for 10 months after the end of the covered period. NLEN and SB intend to use PPP loan proceeds for purposes consistent with the PPP and apply for forgiveness within 10 months of the end of the covered period.

NLEN and SB have met all requirements to have the loan forgiven. However, to the extent that NLEN and SB are not granted forgiveness, NLEN and SB will be required to pay interest on the PPP loan at a rate of 1% per annum. If the application for forgiveness is not made within 10 months of the end of the covered period, payments of principal and interest will be required through the maturity date of April 7, 2022, for NLEN and May 8, 2022, for SB. The terms of the loan provide for customary events of default, including payment defaults, breach of representation of warranties, and insolvency events. The PPP loan may be accelerated upon the occurrence of a default event.

NLEN and SB have recorded notes payable and will record forgiveness upon being legally released from the loan obligation. Forgiveness income has been recorded for the year ended June 30, 2021, in the amount of \$639,560. SB is required to repay any remaining balance of \$53,800, plus interest accrued at 1% per annum in monthly payments beginning on August 18, 2021. Principal and interest payments will be required through the maturity date of May 8, 2022.



**NORTH LAWNDALE EMPLOYMENT NETWORK**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 AND 2020**

**(9) Certain Vulnerabilities and Concentrations**

The Organization maintained certain bank accounts insured by the Federal Deposit Insurance Corporation up to an aggregate amount of \$250,000 for each depositor in each depository institution. At June 30, 2021, one depository institution held \$4,359,336 on deposit, which exceeded the aggregate limit by 4,109,336, leaving that amount at risk. Another depository institution held \$395,794 on deposit, which exceeded the aggregate limit by \$145,794, leaving that amount at risk.

**(10) Property and Equipment**

Property and equipment at June 30, 2021, and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Leasehold Improvement	32,434	32,434
Capitalized Software	52,765	52,765
Computer Equipment	109,677	109,677
Vehicles	15,220	15,220
Furniture and Equipment	78,360	83,360
Construction in Progress	<u>5,856,947</u>	<u>1,549,817</u>
 Total Cost	 6,145,403	 1,843,273
 Accumulated Depreciation	 <u>(276,168)</u>	 <u>(264,860)</u>
	 <u>\$ 5,869,235</u>	 <u>\$ 1,578,413</u>

**(11) Fair Value of Financial Instruments**

Financial Accounting Standards Board (FASB) Accounting Standards Code (ASC) 820-10 "Fair Value Measurements and Disclosures" requires disclosure of an estimate of fair value of certain financial instruments. The Organization's significant financial instruments are cash, accounts receivable, and other short-term assets and liabilities. For these financial instruments, carrying values approximate fair value.

**(12) Net Assets with Donor Restrictions**

Net assets with donor restrictions at June 30, 2021, and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Purpose Restricted for Program Services	\$ 311,087	\$ 490,636
Time and Purpose Restricted for the Capital Campaign	-	4,061,281
	<u>\$ 311,087</u>	<u>\$ 4,551,917</u>

**NORTH LAWDALE EMPLOYMENT NETWORK  
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Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes, by occurrence of the passage of time, or other events specified by donors. Restrictions were released as follows:

	<u>2021</u>	<u>2020</u>
Program Services	<u>\$ 6,512,852</u>	<u>\$ 2,136,033</u>

**(13) Donations In-Kind and Contributed Services**

Material gifts in-kind used in the Organization’s programs and donated goods are recorded as income when received and as expenses at the time the items are placed into service or distributed.

Contributed services are reported as contributions at their fair value if such services create or enhance nonfinancial assets, would have been purchased if not provided by contributions, require specialized skills, and are provided by individuals possessing such specialized skills. In addition, the appropriate value of donated services of individuals is recorded as an expense when services qualify for cost reimbursement from third-party providers. Donated legal fees are recorded at estimated fair value. The Organization received \$140,844 and \$117,344 of donated legal fees for the years ended June 30, 2021, and 2020, respectively and was reflected in the consolidated statements of activities as donated legal revenues.

During 2020, the Organization received donated goods and services related to the annual fundraising event held. The estimated fair value of the goods and services received was \$86,000 and \$154,000 for the years ended June 30, 2021, and 2020.

**(14) New Markets Tax Credits Transaction**

Background

New Markets Tax Credits are tax credits created by the federal government in 2000 and renewed each year thereafter to help encourage sustained investment in low-income communities. The purpose is to provide investors with a financial incentive (a tax credit) to invest in projects being built in low-income communities. Investors receive a 39% federal tax credit earned over a seven-year period (the compliance period). The NMTC transaction provided a mechanism for NLEN to receive funding towards the construction of a new building.

NLEN NMTC Structure and Partners

NLEN entered into a NMTC transaction with Chase Community Equity (“CCE”), part of JPMorgan Chase Bank, the “investor” of the tax credits, and Chicago Development Fund (“CDF”), an entity making community investment loans to NLEN. NLEN is the “Leverage Lender” in the NMTC transaction.

NMTC Note Receivable

NLEN made an initial investment in NLEN Support Corp with cash generated by NLEN’s capital campaign proceeds in the amount of \$1,737,000. NLEN borrowed \$4,300,000 from IFF using the Capital Campaign pledges as collateral. With these loan funds and a bridge loan from Chase in the

**NORTH LAWDALE EMPLOYMENT NETWORK  
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amount of \$4,079,533. NLEN then made a \$5,597,600 loan, to Chase NMTC NLEN Investment Fund. This fund was used to lend funds to NLEN Support Corp through CDF Suballocate XXXIX.

Building Fund

Chase Community Equity made a net investment of \$2,402,400 into the Chase NMTC NLEN Investment Fund by purchasing the seven-year tax credits made available through the CDF for NLEN Support Corp's new building project. The combined investment amounts of both NLEN and Chase Community Equity, which total \$8,000,000, fund the notes from the CDF Suballocate XXXIX to NLEN Support Corp. NLEN Support Corp incurred \$339,771 in structuring fees associated with structuring the NMTC.

New Markets Tax Credits - Notes Payable

As a component of the NMTC transaction, NLEN Support Corp received two loans from the CDF Suballocate XXXIX totaling \$7,840,000 (Note A - \$5,597,600 and Note B - \$2,242,400) on December 30, 2020. NLEN Support Corp is obligated to make annual interest payments, at an interest rate of 1.082%, during the seven-year NMTC compliance period which is expected to end December 30, 2029.

Option Agreement

Simultaneous with the above transactions, NLEN Support Corp entered into a Put and Call Option Agreement with Chase Community Equity (the sole investor in the fund) to put the ownership interest in the Fund for \$1,000 commencing on December 31, 2029: the first day after the seven-year tax credit investment compliance period. Exercising of the Option will effectively extinguish NLEN Support Corp's outstanding debt owed to the CDF Suballocate XXXIX. All entities related to the structure (including the CDF Suballocate XXXIX Investment Fund) will then be effectively dissolved, thus ending the structured financing deal. Should the structure not dissolve, NLEN Support Corp will make principal and interest payments until the loans mature on December 30, 2056. The probability of the loans extending past the seven-year compliance period is very low provided that NLEN Support Corp utilizes the new building in accordance with the original intent in the NMTC allocation as a qualified low- income community business.

**(15) Employee Retention Credit**

The CARES Act provides an employee retention credit ("CARES Employee Retention credit"), which is a refundable tax credit against certain employment taxes of up to \$5,000 per employee for eligible employers. The tax credit is equal to 50% of qualified wages paid to employees during a quarter, capped at \$10,000 of qualified wages per employee through December 31, 2020. Additional relief provisions were passed by the United States government, which extend and slightly expand the qualified wage caps on these credits through December 31, 2021. Based on these additional provisions, the tax credit is now equal to 70% of qualified wages paid to employees during a quarter, and the limit on qualified wages per employee has been increased to \$10,000 of qualified wages per quarter. The Organization qualifies for the tax credit under the CARES Act and expects to continue to receive additional tax credits under the additional relief provisions for qualified wages through September 30, 2021. The Organization filed for refunds of the employee retention credit subsequent to June 30, 2021, in the amount of \$1,410,858. As of June 30, 2021 the organization has a \$1,021,937 receivable balance from the United States government related to the CARES Act, which is recorded in ERC Receivable on the Organizations Consolidated Statement of Financial Position.

**NORTH LAWDALE EMPLOYMENT NETWORK  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 AND 2020**

**(16) Subsequent Events**

The Organization has evaluated subsequent events through June 14, 2022, the date the financial statements were available to be issued. Beginning around March 2020, the COVID-19 virus has been declared a global pandemic as it continues to spread rapidly. Business continuity across a broad range of industries and countries could be severely impacted for months or beyond as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty.

**SUPPLEMENTARY INFORMATION**

**NORTH LAWDALE EMPLOYMENT NETWORK  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
AS OF JUNE 30, 2021**

	<u>North Lawndale Employment Network</u>	<u>Sweet Beginnings, LLC</u>	<u>NLEN Support Corp</u>	<u>Beelove Café</u>	<u>Eliminations</u>	<u>Total</u>
<b>ASSETS:</b>						
Cash and Cash Equivalents	\$ 2,615,287	\$ (808)	\$ 2,147,140	\$ 14,091	\$ -	\$ 4,775,710
Accounts Receivable	15,000	14,608	-	-	-	29,608
Inventory	-	21,668	-	-	-	21,668
Contracts Receivable	71,504	-	-	-	-	71,504
Grants Receivable	844,663	-	-	-	-	844,663
ERC Receivable	1,021,937	-	-	-	-	1,021,937
Capital Campaign Pledges Receivable	474,999	-	-	-	-	474,999
Prepaid Expenses	-	100	-	-	-	100
Due from Beelove Café	12,957	15,000	-	-	(27,957)	-
Construction In Progress	-	-	1,261,094	-	-	1,261,094
Property and Equipment, Net of Accumulated Depreciation	12,288	-	5,856,947	-	-	5,869,235
Notes Receivable	5,597,600	-	-	-	-	5,597,600
Intangible Costs	111,244	-	239,857	-	-	351,101
<b>Total Assets</b>	<u>10,777,479</u>	<u>50,568</u>	<u>9,505,038</u>	<u>14,091</u>	<u>(27,957)</u>	<u>20,319,219</u>
<b>LIABILITIES AND NET ASSETS:</b>						
<u>Liabilities</u>						
Accounts Payable	87,707	25,755	-	-	-	113,462
Accrued Payroll	75,190	(7,355)	-	-	-	67,835
Accrued Interest	128,625	-	42,415	-	-	171,040
Deferred Revenue	163,647	-	-	-	-	163,647
Investment in SB	351,690	-	-	-	(351,690)	-
Due to NLEN	-	-	-	12,957	(12,957)	-
Due to Sweet Beginnings	-	-	-	15,000	(15,000)	-
Paycheck Protection Loan Program	-	49,596	-	-	-	49,596
Loan Payable	4,900,000	500,000	7,840,000	-	-	13,240,000
Total Liabilities	<u>5,706,859</u>	<u>567,996</u>	<u>7,882,415</u>	<u>27,957</u>	<u>(379,647)</u>	<u>13,805,580</u>
<u>Net Assets</u>						
Without Donor Restrictions	4,759,533	(517,428)	1,622,623	(13,866)	351,690	6,202,552
With Donor Restrictions	311,087	-	-	-	-	311,087
Total Net Assets	<u>5,070,620</u>	<u>(517,428)</u>	<u>1,622,623</u>	<u>(13,866)</u>	<u>351,690</u>	<u>6,513,639</u>
<b>Total Liabilities and Net Assets</b>	<u>\$10,777,479</u>	<u>\$ 50,568</u>	<u>\$ 9,505,038</u>	<u>\$ 14,091</u>	<u>\$ (27,957)</u>	<u>\$20,319,219</u>

**NORTH LAWDALE EMPLOYMENT NETWORK  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
AS OF JUNE 30, 2020**

	<u>North Lawndale Employment Network</u>	<u>Sweet Beginnings, LLC</u>	<u>Eliminations</u>	<u>Total</u>
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 2,585,056	\$ 47,185	\$ -	\$ 2,632,241
Accounts Receivable	102,279	10,366	(102,279)	10,366
Inventory	-	32,154	-	32,154
Contracts Receivable	37,068	-	-	37,068
Grants Receivable	551,660	-	-	551,660
Capital Campaign Pledges Receivable	1,077,917	-	-	1,077,917
Prepaid Expenses	14,875	-	-	14,875
Property and Equipment, Net of Accumulated Depreciation	1,578,413	-	-	1,578,413
<b>Total Assets</b>	<u>5,947,268</u>	<u>89,705</u>	<u>(102,279)</u>	<u>5,934,694</u>
<b>LIABILITIES AND NET ASSETS:</b>				
<u>Liabilities</u>				
Accounts Payable	53,506	119,719	(102,279)	70,946
Accrued Payroll	84,034	2,415	-	86,449
Deferred Revenue	161,221	-	-	161,221
Investment in SB	586,229	-	(586,229)	-
Paycheck Protection Program Loan	639,560	53,800	-	693,360
Loan Payable	-	500,000	-	500,000
Total Liabilities	<u>1,524,550</u>	<u>675,934</u>	<u>(688,508)</u>	<u>1,511,976</u>
<u>Net Assets</u>				
Without Donor Restrictions	(129,199)	(586,229)	586,229	(129,199)
With Donor Restrictions	4,551,917	-	-	4,551,917
Total Net Assets	<u>4,422,718</u>	<u>(586,229)</u>	<u>586,229</u>	<u>4,422,718</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 5,947,268</u>	<u>\$ 89,705</u>	<u>\$ (102,279)</u>	<u>\$ 5,934,694</u>

**NORTH LAWDALE EMPLOYMENT NETWORK  
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED JUNE 30, 2021**

	<u>North Lawndale Employment Network</u>	<u>Sweet Beginnings, LLC</u>	<u>NLEN Support Corp</u>	<u>The Beelove Café</u>	<u>Eliminations</u>	<u>Total</u>
<b>PUBLIC SUPPORT:</b>						
Grants and Contributions	\$ 5,183,770	\$ 7,815	\$ 1,664,764	\$ -	\$ (1,664,764)	\$ 5,191,585
Government and Corporate Contracts	1,713,256	-	-	-	-	1,713,256
Special Events	295,905	-	-	-	-	295,905
Membership Dues	2,800	-	-	-	-	2,800
Donated Legal	140,844	-	-	-	-	140,844
<b>Total Public Support</b>	<u>7,336,575</u>	<u>7,815</u>	<u>1,664,764</u>	<u>-</u>	<u>(1,664,764)</u>	<u>7,344,390</u>
<b>REVENUE:</b>						
Net Sales - Sweet Beginnings, LLC	-	246,625	-	-	-	246,625
Investment Income	144	-	274	-	-	418
Other Income	4,922	2,881	-	-	-	7,803
Rental Income	14,293	-	-	-	-	14,293
<b>Total Revenue</b>	<u>19,359</u>	<u>249,506</u>	<u>274</u>	<u>-</u>	<u>-</u>	<u>269,139</u>
<b>Total Public Support and Revenue</b>	<u>7,355,934</u>	<u>257,321</u>	<u>1,665,038</u>	<u>-</u>	<u>(1,664,764)</u>	<u>7,613,529</u>
<b>EXPENSES:</b>						
Program Services - NLEN	3,342,909	-	-	-	-	3,342,909
Program Services - SB	-	413,042	-	-	-	413,042
Program Services - Beelove Café	-	-	-	13,866	-	13,866
Management and General	2,338,904	10,016	42,415	-	(1,664,764)	726,571
Fundraising	1,026,220	-	-	-	-	1,026,220
<b>Total Expenses</b>	<u>6,708,033</u>	<u>423,058</u>	<u>42,415</u>	<u>13,866</u>	<u>(1,664,764)</u>	<u>5,522,608</u>
<b>CHANGE IN NET ASSETS:</b>	647,901	(165,737)	1,622,623	(13,866)	-	2,090,921
<b>TOTAL NET ASSETS:</b>						
Net Assets, Beginning of Year	<u>4,422,718</u>	<u>(1,067,795)</u>	<u>-</u>	<u>-</u>	<u>1,067,795</u>	<u>4,422,718</u>
Net Assets, End of Year	<u>\$ 5,070,619</u>	<u>\$ (1,233,532)</u>	<u>\$ 1,622,623</u>	<u>\$ (13,866)</u>	<u>\$ 1,067,795</u>	<u>\$ 6,513,639</u>



**NORTH LAWNDALE EMPLOYMENT NETWORK  
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED JUNE 30, 2020**

	<u>North Lawndale Employment Network</u>	<u>Sweet Beginnings, LLC</u>	<u>Eliminations</u>	<u>Total</u>
<b>PUBLIC SUPPORT:</b>				
Grants and Contributions	\$ 4,374,032	\$ 6,688	\$ -	\$ 4,380,720
Government and Corporate Contracts	403,739	-	-	403,739
Special Events	486,889	-	-	486,889
Donated Legal	117,344	-	-	117,344
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Public Support</b>	<b>5,382,004</b>	<b>6,688</b>	<b>-</b>	<b>5,388,692</b>
<b>REVENUE:</b>				
Net Sales - Sweet Beginnings, LLC	-	217,204	-	217,204
Investment Gain/(Loss)	(194,569)	-	197,961	3,392
Other Income	10,917	47,082	-	57,999
Rental Income	3,573	-	-	3,573
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Revenue</b>	<b>(180,079)</b>	<b>264,286</b>	<b>197,961</b>	<b>282,168</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Public Support and Revenue</b>	<b>5,201,925</b>	<b>270,974</b>	<b>197,961</b>	<b>5,670,860</b>
<b>EXPENSES:</b>				
Program Services - NLEN	3,393,343	-	-	3,393,343
Program Services - SB	-	468,935	-	468,935
Management and General	722,165	-	-	722,165
Fundraising	969,678	-	-	969,678
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Expenses</b>	<b>5,085,186</b>	<b>468,935</b>	<b>-</b>	<b>5,554,121</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>CHANGE IN NET ASSETS:</b>	<b>116,739</b>	<b>(197,961)</b>	<b>197,961</b>	<b>116,739</b>
<b>TOTAL NET ASSETS:</b>				
Net Assets, Beginning of Year	4,305,979	(869,834)	869,834	4,305,979
	<hr/>	<hr/>	<hr/>	<hr/>
Net Assets, End of Year	<u>\$ 4,422,718</u>	<u>\$ (1,067,795)</u>	<u>\$ 1,067,795</u>	<u>\$ 4,422,718</u>