



NEW GROUND INC. AND SUBSIDIARY

**CONSOLIDATED FINANCIAL STATEMENTS
TOGETHER WITH AUDITOR'S REPORT**

**AS OF AND FOR THE YEARS ENDED
DECEMBER 31, 2020 AND 2019**

NEW GROUND INC. AND SUBSIDIARY
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AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
New Ground Inc. and Subsidiary:

Report on Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of New Ground Inc. and its subsidiary (collectively "the Organization", nonprofit organizations), which comprise the consolidated statements of financial position as of December 31, 2020 and 2019, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the 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.

NawrockiSmith

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of New Ground Inc. and its subsidiary as of December 31, 2020 and 2019, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary consolidating schedules of financial position on pages 14 and 15 and the supplementary consolidating schedules of activities and changes in net assets on pages 16 and 17 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Hauppauge, New York
October 20, 2021

Nawrocki Smith LLP

NEW GROUND INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
CURRENT ASSETS:		
Cash	\$ 563,454	\$ 411,032
Accounts receivable	33,454	89,752
Current portion of contributions receivable, net	27,638	20,907
Loans receivable	4,756	5,203
Prepaid expenses	8,888	-
	638,190	526,894
FIXED ASSETS, at cost, net of accumulated depreciation of \$83,051 and \$55,716, respectively	1,139,101	1,166,436
NON-CURRENT PORTION OF CONTRIBUTIONS RECEIVABLE, NET	47,913	35,937
OTHER ASSETS	2,457	2,352
	\$ 1,827,661	\$ 1,731,619
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Current portion - mortgage payable	\$ 14,778	\$ 14,079
Accounts payable	902	9,663
Deferred revenue - Paycheck Protection Program	85,700	-
	101,380	23,742
LONG-TERM LIABILITIES:		
Mortgage payable	517,931	532,663
Security deposits held	2,457	2,348
	520,388	535,011
Total liabilities	621,768	558,753
NET ASSETS:		
Net assets without donor restrictions:		
Undesignated	399,501	353,172
Board designated for fixed assets	606,392	619,694
Board designated for program expansion	200,000	200,000
	1,205,893	1,172,866
Total liabilities and net assets	\$ 1,827,661	\$ 1,731,619

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

**NEW GROUND INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF ACTIVITIES
AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
REVENUES:		
Special events	\$ 277,662	\$ 435,585
Contributions	355,289	347,547
Program revenue	46,658	49,985
Interest	2,862	1,858
	682,471	834,975
EXPENSES:		
Program services	576,992	644,901
Administration	41,817	53,958
Fundraising	30,635	124,567
	649,444	823,426
Change in net assets	33,027	11,549
NET ASSETS, BEGINNING OF YEAR	1,172,866	1,161,317
NET ASSETS, END OF YEAR	\$ 1,205,893	\$ 1,172,866

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

NEW GROUND INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020				2019			
	Program Services	Administration	Fundraising	Total	Program Services	Administration	Fundraising	Total
Salaries, benefits, and payroll taxes	\$ 385,447	\$ 19,272	\$ 23,555	\$ 428,274	\$ 406,941	\$ 22,457	\$ 18,447	\$ 447,845
Professional fees	26,927	11,102	-	38,029	24,749	13,527	-	38,276
Direct client services	29,739	-	-	29,739	80,980	-	-	80,980
Depreciation	24,906	2,429	-	27,335	20,580	6,859	-	27,439
Interest	20,410	3,435	-	23,845	18,315	6,105	-	24,420
Office	22,142	461	461	23,064	23,918	498	498	24,914
Repairs and maintenance	19,252	1,854	-	21,106	10,554	2,940	-	13,494
Insurance	15,688	320	-	16,008	12,447	254	-	12,701
Employee retirement benefits	10,126	619	506	11,251	11,093	229	114	11,436
Utilities	8,857	771	-	9,628	9,241	899	-	10,140
Clinical supervision	4,500	-	-	4,500	4,950	-	-	4,950
Website and fees	1,840	-	1,840	3,680	164	-	164	328
IT and computer	3,460	35	35	3,530	8,214	84	83	8,381
Telephone	1,829	19	19	1,867	2,457	25	25	2,507
Bad debt	-	1,275	-	1,275	-	-	-	-
Travel	992	-	-	992	6,842	69	-	6,911
Conferences and seminars	760	-	-	760	1,984	-	-	1,984
Miscellaneous	117	225	-	342	862	12	-	874
Recruitment	-	-	-	-	610	-	-	610
	<u>576,992</u>	<u>41,817</u>	<u>26,416</u>	<u>645,225</u>	<u>644,901</u>	<u>53,958</u>	<u>19,331</u>	<u>718,190</u>
Cost of special events	<u>-</u>	<u>-</u>	<u>4,219</u>	<u>4,219</u>	<u>-</u>	<u>-</u>	<u>105,236</u>	<u>105,236</u>
	<u><u>\$ 576,992</u></u>	<u><u>\$ 41,817</u></u>	<u><u>\$ 30,635</u></u>	<u><u>\$ 649,444</u></u>	<u><u>\$ 644,901</u></u>	<u><u>\$ 53,958</u></u>	<u><u>\$ 124,567</u></u>	<u><u>\$ 823,426</u></u>

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

NEW GROUND INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS (INDIRECT METHOD)
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 33,027	\$ 11,549
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	27,335	27,439
(Increase) decrease in accounts receivable	56,298	(44,822)
(Increase) decrease in contributions receivable	(18,707)	5,303
(Increase) decrease in loans receivable	447	(3,390)
Increase in other assets	(105)	(354)
Increase in prepaid expenses	(8,888)	-
Increase (decrease) in accounts payable	(8,761)	723
Increase in security deposits held	109	600
Increase in deferred revenue - Paycheck Protection Program	85,700	-
Net cash provided (used) by operating activities	<u>166,455</u>	<u>(2,952)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of mortgage payable	<u>(14,033)</u>	<u>(13,457)</u>
Net cash used by financing activities	<u>(14,033)</u>	<u>(13,457)</u>
NET INCREASE (DECREASE) IN CASH	152,422	(16,409)
CASH, BEGINNING OF YEAR	<u>411,032</u>	<u>427,441</u>
CASH, END OF YEAR	<u>\$ 563,454</u>	<u>\$ 411,032</u>
CASH PAID DURING THE YEAR FOR:		
Interest	<u>\$ 23,845</u>	<u>\$ 24,420</u>

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

NEW GROUND INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(1) Background and organization

The accompanying consolidated financial statements reflect the financial position and activities of New Ground Inc. and its subsidiary, NGIP Inc. (hereinafter, collectively “the Organization”).

Founded in 1991, New Ground Inc. is a not-for-profit organization formed under the laws of New York State, providing intensive social work services and education programs to families and veterans caught in the cycle of homelessness and poverty. Social work services include but are not limited to: career development, employment assistance, budgeting, repairing credit, parenting skills, household management skills, conflict resolution, problem solving, crisis management skills, and future permanent housing planning. Education programs include the Reading All-Stars Program, Education Assistance Program, Education Advocacy Program, Tutoring Program, Academic Scholarship Program, and Parent Workshop Program. Through these, New Ground assists children to succeed in school with a track to graduate high school and pursue higher education, as well as assisting adults to return to school and complete a higher degree or certification thereby increasing their household income. All of the programs and services offered are targeted toward developing self-sufficiency and assisting the families and veterans with securing an independent future.

NGIP Inc. is a wholly-owned subsidiary of New Ground Inc., formed as a not-for-profit organization in 2015 for purposes of providing housing for homeless and low income families and individuals in the Long Island and Metropolitan New York areas. Families and individuals residing in the housing owned and operated by NGIP Inc. will receive the social work services and education programs offered by New Ground Inc. to assist them in breaking the cycle of homelessness and poverty, eventually securing permanent housing and self-sufficiency.

New Ground Inc. and NGIP Inc. are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

(2) Summary of significant accounting policies:

Basis of accounting and financial statement presentation -

The accompanying consolidated financial statements include the assets, liabilities, revenues and expenses of the Organization which are presented under the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. All transactions between the entities comprising the Organization have been eliminated in consolidation. The following is a summary of significant accounting policies followed by the Organization:

Financial statement presentation -

The accompanying consolidated financial statements include the accounts of the Organization’s programs, administration and fundraising. U.S. generally accepted accounting principles require that the Organization’s consolidated financial statements distinguish net assets and changes in net assets between those with and without donor restrictions. The Organization’s net assets consist of the following:

Without donor restrictions - net assets of the Organization which have not been restricted by an outside donor or by law and are therefore available for use in carrying out the operations of the Organization.

NEW GROUND INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

With donor restrictions - net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

As of December 31, 2020 and 2019, the Organization did not possess any net assets with donor restrictions.

As required by U.S generally accepted accounting principles, the Organization has also presented Statements of Cash Flows for the years ended December 31, 2020 and 2019.

Principles of consolidation -

New Ground Inc. has voting control and an economic interest in NGIP Inc. ("NGIP"), which results in the accounts of NGIP being consolidated with those of New Ground Inc. in the accompanying financial statements. All intercompany balances and transactions have been eliminated in the consolidation.

Revenue recognition -

The following are the significant revenue recognition accounting policies of the Organization:

Contributions - Contributions are recognized as income when received and are considered to be available for unrestricted use unless specifically restricted by the donor. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Consolidated Statements of Activities and Changes in Net Assets as net assets released from restrictions. Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. Conditional contributions are accounted for as a liability or are not recognized as revenue initially, until the barriers to entitlement are overcome, at which point a transaction is recognized as unconditional and classified as either net assets with donor restrictions, or net assets without donor restrictions.

Fundraising revenue - The portion of fundraising revenue that relates to the commensurate value the attendee receives in return is recognized when the related events are held, and performance obligations are met.

Cash and cash equivalents -

The Organization considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents.

Accounts receivable -

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense based on its assessment of the current status of individual accounts.

NEW GROUND INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Loans receivable -

Loans receivable in the amounts of \$4,756 and \$5,203 represent funds advanced to families as of December 31, 2020 and 2019, respectively. Through the Revolving Loan Program, New Ground provides zero interest loans for current Long Term Housing Program residents in need of specific financial assistance in order to continue to make progress on their program goals. Each resident creates a specific monthly repayment plan for their loan based on their individual budget, often utilizing an annual tax refund upon receipt to pay off any remaining balance.

Contributions receivable -

Contributions receivable are recognized as support in the period pledged and are recorded at the present value of estimated cash flow. The discount on these amounts is computed using a risk-adjusted rate applicable to the years in which the promises are to be received. Amortization of the discount is recorded as an addition to contribution revenue in accordance with donor-imposed restrictions. The Organization expects contributions receivable to be collected in full, therefore an allowance for doubtful accounts has not been recorded as of December 31, 2020 and 2019.

Fixed assets -

Fixed assets consist of land, buildings and office equipment which are recorded at cost. Fixed assets acquired by gift are capitalized at the approximate market value at the date of gift. Such gifts are reported as unrestricted support unless the donor has restricted the donated assets for a specific purpose.

The Organization follows the practice of capitalizing all items over \$500. Depreciation is computed using the straight-line method over the estimated useful lives of the assets (generally periods of five to forty years).

Liquidity considerations -

Quantitative

As of December 31, 2020, the Organization has \$638,190 of financial assets available to meet cash needs for program and supporting services expenditures within one year of the Consolidated Statement of Financial Position date, which consists of the current assets per the Consolidated Statement of Financial Position.

Qualitative

As of December 31, 2020 the Organization has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet 60 days of normal operating expenses, which are, on average, approximately \$120,000.

Donated services -

A number of volunteers have donated significant amounts of their time in the Organization's program services, administration and fundraising campaigns. However, since these services do not meet the criteria for recognition under U.S. generally accepted accounting principles, they are not reflected in the accompanying consolidated financial statements.

NEW GROUND INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Functional expenses -

Expenses are recognized when incurred. The Consolidated Statements of Functional Expenses report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The significant expenses that are allocated include: salaries, benefits and payroll taxes which are allocated on the basis of estimates of time and effort.

Fair value of financial instruments -

U.S. generally accepted accounting principles define the fair value of a financial instrument as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Where applicable, fair values are determined by reference to quoted market prices and other relevant information generated by market transactions.

U.S. generally accepted accounting principles require 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.

The use of estimates in the preparation of financial statements -

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reported period. Actual results may differ from those estimates.

(3) Contributions receivable

Contributions receivable as of December 31, 2020 are due as follows:

<u>Year ending December 31,</u>		
2021	\$	30,834
2022		27,746
2023		15,881
2024		<u>11,000</u>
Total contributions receivable		85,461
Less: discount at 4.25% present value		<u>(9,910)</u>
Total contributions receivable, net	\$	<u><u>75,551</u></u>

NEW GROUND INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(4) Fixed assets

Fixed assets as of December 31, 2020 and 2019 consist of the following:

	<u>2020</u>	<u>2019</u>
Land	\$ 317,481	\$ 317,481
Buildings and building improvements	899,126	899,126
Office equipment	<u>5,545</u>	<u>5,545</u>
	1,222,152	1,222,152
Less: Accumulated depreciation	<u>(83,051)</u>	<u>(55,716)</u>
	<u>\$ 1,139,101</u>	<u>\$ 1,166,436</u>

(5) Mortgage payable

In connection with the purchase of a building in September 2017, the Organization obtained a mortgage from a bank, which is secured by the property, in the amount of \$338,000 with a fixed interest rate of 4.25% for a period of 120 months. The Organization purchased an additional building in December 2017 and obtained a second mortgage from a bank, which is secured by the property, in the amount of \$236,000 with a fixed interest rate of 4.25% for a period of 120 months.

Interest expense was \$23,845 and \$24,420 for the years ended December 31, 2020 and 2019, respectively. Accrued interest has not been imputed as it has been deemed to be immaterial. Future principal maturities of these loans are as follows:

<u>Year ending December 31,</u>		
2021	\$	14,778
2022		15,440
2023		16,132
2024		16,795
2025		17,607
2026 and thereafter		<u>451,957</u>
	<u>\$</u>	<u>532,709</u>

(6) Board designated net assets

In January 2015, the Board of Directors approved a designation specifically for the expansion of program services, which is reflected on the Consolidated Statement of Financial Position. These funds have been set aside by the Board to procure housing, in conjunction with the submission of grant applications, for homeless families receiving services from the Organization, as well as to cover the increased program costs of serving a growing number of homeless veterans, parents and children. The amount associated with this designation was \$200,000 for each of the years ended December 31, 2020 and 2019.

NEW GROUND INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(7) Paycheck Protection Program

On April 10, 2020, the Organization was granted a loan from a bank in the amount of \$85,700, pursuant to the Paycheck Protection Program (the "PPP") under the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), which was enacted on March 27, 2020. The loan and accrued interest are forgivable after periods of eight weeks or twenty-four weeks as long as the borrower uses the proceeds for eligible purposes including payroll, benefits, rent and utilities and maintains its payroll levels. In accordance with U.S. generally accepted accounting principles, the Organization has opted to account for its PPP loan as an in-substance conditional government grant, which should be recognized in income when all conditions or measurable barriers have been substantially met. Conditions include initial eligibility and forgiveness criteria, which involve incurring eligible costs and maintaining certain employment and salary thresholds. Measurable barriers include the review and approval of the forgiveness application. The Organization intends to use the proceeds for purposes consistent with the PPP, believes its use of the funds will meet the conditions for forgiveness of the loan and that final approval of the forgiveness application will not be a barrier but a substantive administrative process. The Organization believes all conditions and barriers will be met during the fiscal year ending December 31, 2021. Accordingly, the PPP funds have been reflected as a deferred revenue liability in the Consolidated Statement of Financial Position as of December 31, 2020.

(8) Employee benefit plan

The Organization has a 401(k) Plan (the "Plan") for all eligible employees. The Plan states that the employer will match participant contributions up to 4%. The expense associated with this Plan was \$11,251 and \$11,436 for the years ended December 31, 2020 and 2019, respectively.

(9) Commitments and contingencies:

Operating leases -

The Organization currently has a non-cancellable operating lease for a copier, which expires in 2022. Future minimum payments under this operating lease are as follows:

<u>Year ending December 31,</u>	
2021	\$ 2,856
2022	<u>238</u>
	<u>\$ 3,094</u>

COVID-19 -

In March 2020, the World Health Organization declared the outbreak of COVID-19 as a pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the Organization, COVID-19 has impacted various parts of its 2020 operations and financial results. Management believes the Organization is taking appropriate actions to mitigate the negative impact. In connection therewith, the Organization applied for and received a Paycheck Protection Program loan in connection with the CARES Act (see Note 7). However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing.

NEW GROUND INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(10) Concentrations

The Organization maintains its cash in bank deposit accounts at reputable establishments which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

(11) Subsequent events

The Organization has evaluated subsequent events through October 20, 2021, which is the date these financial statements were available to be issued, noting the following:

On April 8, 2021, the Organization received full forgiveness on its Paycheck Protection Program loan in the amount of \$85,700.

NEW GROUND INC. AND SUBSIDIARY
SUPPLEMENTARY CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020

ASSETS	New Ground Inc.	NGIP Inc.	Eliminations	Consolidated
CURRENT ASSETS:				
Cash	\$ 563,562	\$ (108)	\$ -	\$ 563,454
Accounts receivable	30,378	10,151	(7,075)	33,454
Current portion of contributions receivable, net	27,638	-	-	27,638
Loans receivable	4,756	-	-	4,756
Prepaide expenses	8,888	-	-	8,888
Total current assets	635,222	10,043	(7,075)	638,190
FIXED ASSETS, NET	443,665	695,436	-	1,139,101
NON-CURRENT PORTION OF				
CONTRIBUTIONS RECEIVABLE, NET	47,913	-	-	47,913
OTHER ASSETS	-	2,457	-	2,457
Total assets	\$ 1,126,800	\$ 707,936	\$ (7,075)	\$ 1,827,661
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES:				
Current portion - mortgage payable	\$ 8,822	\$ 5,956	\$ -	\$ 14,778
Accounts payable	7,507	470	(7,075)	902
Deferred revenue - Paycheck Protection Program	85,700	-	-	85,700
Total current liabilities	102,029	6,426	(7,075)	101,380
LONG-TERM LIABILITIES:				
Mortgage payable	303,763	214,168	-	517,931
Security deposits held	-	2,457	-	2,457
Total long-term liabilities	303,763	216,625	-	520,388
Total liabilities	405,792	223,051	(7,075)	621,768
NET ASSETS:				
Net assets without donor restrictions:				
Undesignated	389,928	9,573	-	399,501
Board designated for fixed assets	131,080	475,312	-	606,392
Board designated for program expansion	200,000	-	-	200,000
Total net assets	721,008	484,885	-	1,205,893
Total liabilities and net assets	\$ 1,126,800	\$ 707,936	\$ (7,075)	\$ 1,827,661

See auditor's report on supplementary information.

NEW GROUND INC. AND SUBSIDIARY
SUPPLEMENTARY CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
AS OF DECEMBER 31, 2019

ASSETS	New Ground Inc.	NGIP Inc.	Eliminations	Consolidated
CURRENT ASSETS:				
Cash	\$ 401,886	\$ 9,146	\$ -	\$ 411,032
Accounts receivable	86,831	2,921	-	89,752
Current portion of contributions receivable, net	20,907	-	-	20,907
Loans receivable	5,203	-	-	5,203
Total current assets	514,827	12,067	-	526,894
FIXED ASSETS, NET	453,381	713,055	-	1,166,436
NON-CURRENT PORTION OF CONTRIBUTIONS RECEIVABLE, NET	35,937	-	-	35,937
OTHER ASSETS	-	2,352	-	2,352
Total assets	<u>\$ 1,004,145</u>	<u>\$ 727,474</u>	<u>\$ -</u>	<u>\$ 1,731,619</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES:				
Current portion - mortgage payable	\$ 8,413	\$ 5,666	\$ -	\$ 14,079
Accounts payable	9,007	656	-	9,663
Total current liabilities	17,420	6,322	-	23,742
LONG-TERM LIABILITIES:				
Mortgage payable	312,548	220,115	-	532,663
Security deposits held	-	2,348	-	2,348
Total long-term liabilities	312,548	222,463	-	535,011
Total liabilities	329,968	228,785	-	558,753
NET ASSETS:				
Net assets without donor restrictions:				
Undesignated	341,757	11,415	-	353,172
Board designated for fixed assets	132,420	487,274	-	619,694
Board designated for program expansion	200,000	-	-	200,000
Total net assets	674,177	498,689	-	1,172,866
Total liabilities and net assets	<u>\$ 1,004,145</u>	<u>\$ 727,474</u>	<u>\$ -</u>	<u>\$ 1,731,619</u>

See auditor's report on supplementary information.

NEW GROUND INC. AND SUBSIDIARY
SUPPLEMENTARY CONSOLIDATING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2020

	New Ground Inc. Net Assets Without Donor Restrictions	NGIP Inc. Net Assets Without Donor Restrictions	Eliminations	Consolidated
REVENUES:				
Special events	\$ 277,662	\$ -	\$ -	\$ 277,662
Contributions	355,289	7,075	(7,075)	355,289
Program revenue	13,682	32,976	-	46,658
Interest	2,858	4	-	2,862
	<u>649,491</u>	<u>40,055</u>	<u>(7,075)</u>	<u>682,471</u>
EXPENSES:				
Program services	536,494	47,573	(7,075)	576,992
Administration	35,531	6,286	-	41,817
Fundraising	30,635	-	-	30,635
	<u>602,660</u>	<u>53,859</u>	<u>(7,075)</u>	<u>649,444</u>
Change in net assets	46,831	(13,804)	-	33,027
NET ASSETS, BEGINNING OF YEAR	<u>674,177</u>	<u>498,689</u>	<u>-</u>	<u>1,172,866</u>
NET ASSETS, END OF YEAR	<u><u>\$ 721,008</u></u>	<u><u>\$ 484,885</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,205,893</u></u>

See auditor's report on supplementary information.

NEW GROUND INC. AND SUBSIDIARY
SUPPLEMENTARY CONSOLIDATING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2019

	New Ground Inc. Net Assets Without Donor Restrictions	NGIP Inc. Net Assets Without Donor Restrictions	Eliminations	Consolidated
REVENUES:				
Special events	\$ 435,585	\$ -	\$ -	\$ 435,585
Contributions	347,547	-	-	347,547
Program revenue	17,670	32,315	-	49,985
Interest	1,849	9	-	1,858
	<u>802,651</u>	<u>32,324</u>	<u>-</u>	<u>834,975</u>
EXPENSES:				
Program services	617,139	27,762	-	644,901
Administration	42,322	11,636	-	53,958
Fundraising	124,567	-	-	124,567
	<u>784,028</u>	<u>39,398</u>	<u>-</u>	<u>823,426</u>
Change in net assets	18,623	(7,074)	-	11,549
NET ASSETS, BEGINNING OF YEAR	<u>655,554</u>	<u>505,763</u>	<u>-</u>	<u>1,161,317</u>
NET ASSETS, END OF YEAR	<u><u>\$ 674,177</u></u>	<u><u>\$ 498,689</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,172,866</u></u>

See auditor's report on supplementary information.