EDEN AUTISM SERVICES, INC. AND AFFILIATE

COMBINED FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION

June 30, 2022 and 2021

EDEN AUTISM SERVICES, INC. AND AFFILIATE

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Mercadien, P.C.
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Eden Autism Services, Inc. and Affiliate

Report on the Audit of the Combined Financial Statements

Opinion

We have audited the combined financial statements of Eden Autism Services, Inc. and Affiliate (the "Organization"), which comprise the combined statements of financial position as of June 30, 2022 and 2021, and the related combined statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the combined financial position of the Organization as of June 30, 2022 and 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Combined Financial Statements* section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Prior Period Adjustment

Certain amounts for the year ended June 30, 2020, have been restated as disclosed in Note S. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Combined Financial Statements

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

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

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INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining statements of financial position and combining statements of activities are presented for purposes of additional analysis and are not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining statements of financial position and combining statements of activities are fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Mercadien, P.C.
Certified Public Accountants

November 17, 2022

EDEN AUTISM SERVICES, INC. AND AFFILIATE

COMBINED STATEMENTS OF FINANCIAL POSITION
June 30, 2022 and 2021

	2022	2021 *
ASSETS		
Current Assets		
Cash and cash equivalents	$ 10,106,679	$ 15,695,403
Assets whose use is limited	80,654	113,689
Investments	22,580,517	16,550,439
Accounts receivable, net of allowance for uncollectible accounts of $97,071 (2022) and $110,442 (2021)	3,710,258	5,353,985
Contribution and trust receivables, current portion net of allowance for uncollectible accounts of $38,415 (2022) and $50,828 (2021)	72,692	109,663
Prepaid expenses and other assets	389,838	330,487
Total Current Assets	36,940,638	38,153,666
Property and equipment, net	18,294,068	18,303,047
Contribution and trust receivables, noncurrent portion	121,252	143,796
Right-of-use asset, net present value	661,267	2,591,050
Total Non-Current Assets	19,076,587	21,037,893
Total Assets	$ 56,017,225	$ 59,191,559
LIABILITIES		
Current Liabilities		
Accounts payable	$ 556,253	$ 473,898
Accrued expenses and other liabilities	2,544,675	2,461,415
Deferred revenue	45,496	27,971
Lease liability - current portion - operating leases	606,647	588,441
Notes payable - current portion	424,427	26,168
Bonds payable - current portion	-	335,000
Total Current Liabilities	4,177,498	3,912,893
Client fund liability	80,654	113,689
Lease liability - long term, net present value - operating leases	54,620	2,002,609
Notes payable - long term, net of issuance costs	9,817,286	1,201,440
PPP loan payable, including accrued interest of $51,160 (2021)	-	4,486,845
Bonds payable - long-term, net of issuance costs	-	9,088,583
Total Non-Current Liabilities	9,952,560	16,893,166
Total Liabilities	14,130,058	20,806,059
NET ASSETS		
Without donor restrictions	38,832,800	35,302,261
With donor restrictions	3,054,367	3,083,239
Total Net Assets	41,887,167	38,385,500
Total Liabilities and Net Assets	$ 56,017,225	$ 59,191,559

* Restated

EDEN AUTISM SERVICES, INC. AND AFFILIATE

COMBINED STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Other Revenues			
Medicaid	$ 26,985,748	$ -	$ 26,985,748
State of New Jersey revenue	134,513	-	134,513
COVID-19 assistance payments	2,840,143	-	2,840,143
School district revenue	10,529,759	-	10,529,759
Contributions of cash and other financial assets	695,726	248,505	944,231
Contributed nonfinancial assets	16,508	-	16,508
Client housing	1,131,190	-	1,131,190
Other fees and program services	328,521	-	328,521
Merchandise revenue, net of cost of goods sold	3,435		3,435
Other revenues	4,868,120	-	4,868,120
Interest income	528,413	-	528,413
Loss on investments, net of investment expenses	(3,741,280)	-	(3,741,280)
Net assets released from restrictions	277,377	(277,377)	-
Total support and other revenues	44,598,173	(28,872)	44,569,301
Expenses			
Program	35,746,515	-	35,746,515
Management, general and administrative	4,356,286	-	4,356,286
Fundraising	538,420	-	538,420
Total expenses	40,641,221	-	40,641,221
Change in net assets before loss on debt refinancing	3,956,952	(28,872)	3,928,080
Loss on debt refinancing	426,413	-	426,413
Change in net assets	3,530,539	(28,872)	3,501,667
Net assets, beginning of year	35,302,261	3,083,239	38,385,500
Net assets end of year	$ 38,832,800	$ 3,054,367	$ 41,887,167

EDEN AUTISM SERVICES, INC. AND AFFILIATE

COMBINED STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021 (Restated)

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Other Revenues			
Medicaid	$ 21,662,720	$ -	$ 21,662,720
State of New Jersey revenue	271,646	-	271,646
COVID-19 assistance payments	5,928,608	-	5,928,608
School district revenue	9,690,742	-	9,690,742
Contributions	987,604	223,895	1,211,499
Client housing	1,046,321	-	1,046,321
Other fees and program services	290,137	-	290,137
Investment income, net of investment expenses	3,020,646	-	3,020,646
Interest income	319,574	-	319,574
Other revenues	4,104,647	-	4,104,647
Net assets released from restrictions	207,895	(207,895)	-
Total support and other revenues	47,530,540	16,000	47,546,540
Expenses			
Program	33,683,038	-	33,683,038
Management, general and administrative	3,804,995	-	3,804,995
Fundraising	585,021	-	585,021
Total expenses	38,073,054	-	38,073,054
Change in net assets	9,457,486	16,000	9,473,486
Net assets, beginning of year, restated	25,892,629	3,067,239	28,959,868
Prior period adjustment - see Note S	(47,854)	-	(47,854)
Net assets beginning of year - restated	25,844,775	3,067,239	28,912,014
Net assets end of year	$ 35,302,261	$ 3,083,239	$ 38,385,500

EDEN AUTISM SERVICES, INC. AND AFFILIATE

COMBINED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2022

	Program	Management & General	Fundraising	Total
Salaries and Wages	$ 22,088,544	$ 2,690,293	$ 202,094	$ 24,980,931
Fringe Benefits and Payroll Taxes	6,321,612	836,461	60,074	7,218,147
Consultants and Professional Fees	455,368	154,738	44,360	654,466
Material and Supplies	1,181,646	5,673	20,016	1,207,335
Facility Cost	2,112,451	144,837	41,242	2,298,530
Depreciation	752,525	2,759	-	755,284
Interest	371,948	883	-	372,831
Transportation	757,122	44,141	-	801,263
Information Technology	766,482	188,898	22,850	978,230
Communications	159,653	28,291	4,624	192,568
Travel and Employee Services	233,050	105,610	2,631	341,291
Community Experience and Specific Assistance	214,098	(99)	-	213,999
Marketing and Recruitment	71,038	85,273	12,596	168,907
Special Event Expense	-	-	84,711	84,711
Bad Debt Expense (Recovery)	(4,603)	2,587	-	(2,016)
COVID-19 Related Expenses	192,851	11,625	601	205,077
Other	72,730	54,316	42,621	169,667
Total	$ 35,746,515	$ 4,356,286	$ 538,420	$ 40,641,221

EDEN AUTISM SERVICES, INC. AND AFFILIATE

COMBINED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2021

	Program	Management & General	Fundraising	Total
Salaries and Wages	$ 21,734,724	$ 2,484,468	$ 247,069	$ 24,466,261
Fringe Benefits and Payroll Taxes	5,440,304	628,800	71,233	6,140,337
Consultants and Professional Fees	368,050	140,625	39,772	548,447
Material and Supplies	982,114	15,909	6,020	1,004,043
Facility Cost	1,555,738	159,938	41,824	1,757,500
Depreciation	926,542	4,976	-	931,518
Interest	481,583	2,099	-	483,682
Transportation	559,102	37,379	-	596,481
Information Technology	596,060	138,712	11,410	746,182
Communications	159,499	26,626	4,216	190,341
Travel and Employee Services	127,547	40,611	1,589	169,747
Community Experience and Specific Assistance	101,384	98	-	101,482
Marketing and Recruitment	43,164	68,488	21,737	133,389
Special Event Expense	-	-	95,149	95,149
Bad Debt Expense	51,107	-	-	51,107
COVID-19 Related Expenses	478,402	15,878	2,496	496,776
Other	77,718	40,388	42,506	160,612
Total	$ 33,683,038	$ 3,804,995	$ 585,021	$ 38,073,054

EDEN AUTISM SERVICES, INC. AND AFFILIATE

COMBINED STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2022 and 2021

	2022	2021
Operating Activities		
Change in net assets	$ 3,501,667	$ 9,473,486
Adjustments to reconcile change in net assets to net cash and cash equivalents from operating activities:		
Depreciation and amortization	755,284	931,518
Amortization of deferred financing fees	16,982	23,232
Loss on debt refinancing	426,413	-
Bad debt (recovery) expense	(2,016)	51,107
PPP loan forgiveness income	(4,491,993)	-
Unrealized loss (gain) on investments	3,697,293	(2,704,698)
Contributions restricted for long-term purposes	(50,300)	(18,215)
Change in operating assets and liabilities:		
Accounts receivable	1,648,330	(2,033,215)
Contribution and trust receivable	56,928	(10,432)
Prepaid expenses and other assets	(59,351)	(79,043)
Accounts payable	82,355	100,680
Accrued expenses and other liabilities	83,260	700,935
Accrued interest - PPP loan	5,148	44,354
Deferred revenue	17,525	(186,441)
Client fund liability	(33,035)	19,035
Net cash and cash equivalents from operating activities	5,654,490	6,312,303
Investing Activities		
Purchases of investments	(10,535,244)	(9,107,932)
Proceeds from sale of investments	807,873	8,333,879
Proceeds from sale of property and equipment	-	133,341
Purchases of property and equipment	(746,305)	(436,604)
Net cash and cash equivalents from investing activities	(10,473,676)	(1,077,316)
Financing Activities		
Contributions restricted for long-term purposes	50,300	18,215
Mortgage principal payments	(422,728)	(26,186)
Repayment of bonds payable	(9,865,000)	(330,000)
Proceeds from note payable	9,665,000	-
Repayment of note payable	(96,223)	-
Debt issuance costs paid	(133,922)	-
Net cash and cash equivalents from financing activities	(802,573)	(337,971)
Net changes in cash and cash equivalents	(5,621,759)	4,897,016
Cash, cash equivalents and restricted cash at beginning of year	15,809,092	10,912,076
Cash, cash equivalents and restricted cash at end of year	$ 10,187,333	$ 15,809,092
Supplemental disclosure of cash flow information		
Cash paid during the year for interest	$ 350,705	$ 416,104
Supplemental disclosure of Non-Cash Investing and Financing Activities		
Right-of-use assets acquired through leases	$ 3,867,635	$ 234,529
PPP loan forgiveness	$ 4,491,993	$ -
Contributed nonfinancial assets	$ 16,508	$ -

A. NATURE OF ORGANIZATION

Eden Autism Services, Inc. ("Eden"), is a nonprofit organization that provides education and services to individuals living with autism and behavioral disorders, provides day program services and maintains residential care facilities for individuals living with autism located primarily in the State of New Jersey, and also provides training and development of practical skills to individuals with autism. Eden was approved by the Department of Education, State of New Jersey (the "DOE") to service students classified as autistic from various public school districts. The affiliate, Eden Autism Services Foundation, Inc. (the "Foundation"), formerly Eden Institute Foundation, Inc., is a nonprofit organization whose principal function is to raise funds to support the affiliate organization.

The Foundation is related to Eden and shares the same management team. Additionally, the same individuals serve on both the Foundation and Eden's Board of Trustees (the "Board"). The combined financial statements of Eden Autism Services, Inc. and Affiliate (the "Organization") represent the combined financial position, activities and cash flows of Eden and the Foundation. All significant intercompany accounts and transactions, as detailed below, have been eliminated in combination.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The combined financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Net assets and revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

The Organization is required to report information regarding its financial position and activities according to two classes of net assets:

- Net assets without donor restrictions - net assets not subject to donor-imposed stipulations, and therefore are expendable for operating purposes. Net assets without donor restrictions include both designated and undesignated funds.

- Net assets with donor restrictions - net assets subject to donor-imposed stipulations that will be met by actions of the Organization and/or by the passage of time. Net assets with donor restrictions include donor-restricted endowment funds requiring investment of a gift in perpetuity or for a specified term as well as the investment return thereon until the returns are appropriated for expenditure.

Use of Estimates

The preparation of combined financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

All highly liquid investments with original maturities of ninety days or less are considered to be cash equivalents. The Organization maintains cash balances which may exceed federally insured limits. The Organization does not believe it has significant exposure to credit losses. Restricted cash of $0 and $531,893 as of June 30, 2022 and 2021, respectively, has been included in cash and cash equivalents and is restricted per the terms of the bond agreement. As a result of the repayment of the bonds (see Note I), there is no restricted cash requirement as of June 30, 2022.

For purposes of the combined statements of cash flows, assets whose use is limited is considered to be restricted cash. Assets whose use is limited consists of funds held by the Organization in trust for participants in their personal needs accounts.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the combined statements of financial position sum to the total of the same amounts shown in the combined statements of cash flows.

	2022	2021
Cash and cash equivalents	$ 10,106,679	$ 15,695,403
Assets whose use is limited	80,654	113,689
Total cash, cash equivalents and restricted cash shown in the combined statements of cash flows	$ 10,187,333	$ 15,809,092

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the combined statements of financial position. Realized and unrealized gains and losses are included in the change in net assets in the accompanying combined statements of activities. Interest and dividend income is recognized when earned. The Organization values investments using quoted market prices in active markets for identical investments to the extent possible (Level 1). To the extent that such market prices are not available, the Organization values such investments using observable measurement criteria, including quoted market prices of similar investments in active markets and other corroborated factors (Level 2). In the event that quoted market prices in active markets and other observable measurement criteria are not available, the Organization will develop measurement criteria based on the best information available (Level 3).

Accounts Receivable

For accounts receivable, the change in net assets is charged with an allowance for estimated uncollectible accounts based on past experience and an analysis of current accounts receivable collectability. Accounts deemed uncollectible are charged to the allowance in the year they are deemed uncollectible. The Organization has recorded an allowance for uncollectible accounts receivable of $97,071 and $110,442 as of June 30, 2022 and 2021, respectively.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Support and Revenue Recognition

The Organization recognizes certain revenue in accordance with Accounting Standards Codification ("ASC") Topic 606, *Revenue from Contracts with Customers*, which provides a five-step model for recognizing revenue from contracts with customers as follows:

1. Identify the contract with a customer.
2. Identify the performance obligations in the contract.
3. Determine the transaction price.
4. Allocate the transaction price to the performance obligations in the contract.
5. Recognize revenue when or as performance obligations are satisfied.

The Organization's revenue consists primarily of fees from Medicaid, tuition revenue from school districts for education services, COVID-19 assistance payments, contributions and other small, miscellaneous revenue sources relating to program revenues.

Tuition for public school students in the State of New Jersey is billed to their respective school districts based upon a tentative public school placement tuition rate determined by the DOE. The billing is then adjusted at year end when the actual tuition rate is determined based upon actual allowable costs plus provision for working capital needs. Tuition for school students outside the State of New Jersey is billed and recognized as unrestricted support based upon agreed-upon rates and is not adjusted based upon actual expenditures. Income received from program fees and services is deferred and recognized when the related program services are provided. State grant awards are classified as refundable advances until expended for the purpose of the grants.

Client service fees consist primarily of Medicaid, which is recognized based on considerations specified in contracts with the third parties. Generally, these contracts establish the terms of the client relationship and set the broad range of terms for services to be performed at a stated rate. The contracts do not give rise to rights and obligations until the Organization is engaged to provide services by the state agency or the individual being serviced.

When the services are authorized, it creates a performance obligation to provide services over a defined period of time that can range from one day to multiple months. The types of service offerings vary by individual, however, these offerings are not distinct within the contract. The performance obligation is satisfied once the service is provided to the consumer, at which point revenue is recognized.

Medicaid services are billed and paid on a fee-for-service basis when the service is provided. The transaction price under these contracts is based on standard rates or a set of rates for a particular service usually dependent on the acuity of the individual being served, established by the payors. These rates are the same for all agencies providing the services.

Client fees, including client rent and contribution to care, are recognized as the performance obligation of providing housing and individual care to consumers on a monthly basis as outlined in the care and rental contracts between the Organization and consumers is met.

The Organization has elected to apply the portfolio approach as a practical expedient to account for Medicaid contracts as a collective group, rather than individually as the financial statement effects are not expected to materially differ from an individual contract approach. These types of contracts are subject to review by the third-party payors and may be subject to retroactive adjustment if in performing the services, the Organization has not adhered to the terms of the contract, or did not document the services as specified by the payor.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Support and Revenue Recognition (Continued)

During the years ended June 30, 2022 and 2021, the Organization received supplemental COVID-19 assistance payments of $2,840,143 and $5,928,608, respectively. These payments are classified as refundable advances until expended for the purposes of the grants since they are considered conditional promises to give.

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable values. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of future cash flows, using risk-adjusted interest rates (approximately 7.5%) applicable to the years in which the promises were received. Conditional promises to give are recognized when the conditions on which they are dependent are substantially satisfied.

Support that is restricted by the donor is reported as an increase in net assets without donor restriction if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restriction, depending on the nature of the restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restriction and reported in the combined statements of activities as net assets released from restrictions.

Income received from local and other revenue sources is deferred and recognized when the related services are provided.

The Organization's revenue disaggregated according to the timing of when revenue is recognized is as follows:

	2022	2021
Revenue recognzied at a point in time (ASC 606)		
Medicaid	$ 26,985,748	$ 21,662,720
School district revenue	10,529,759	9,690,742
Client housing	1,131,190	1,046,321
Other fees and program services	328,521	290,137
Merchandise revenue, net of cost of goods sold	3,435	-
Total revenue recognized at a point in time	38,978,653	32,689,920
Contributions and other revenue not subject to ASC 606		
State of New Jersey revenue	134,513	271,646
COVID-19 assistance payments	2,840,143	5,928,608
Contributions of cash and other financial assets	944,231	1,211,499
Contributed nonfinancial assets	16,508	-
Other revenues	4,868,120	4,104,647
Investment (loss) income, net of investment expenses	(3,741,280)	3,020,646
Interest income	528,413	319,574
Total contributions and other revenue	5,590,648	14,856,620
Total revenue	$ 44,569,301	$ 47,546,540

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Support and Revenue Recognition (Continued)

Beneficial Interest in Trust

The Organization's beneficial interest in trust is recorded when received at the present value of the anticipated future cash flows. Present values are determined using appropriate discount rates and are revalued annually. The net revaluations, after all trust or gift obligations have been satisfied, are recoded as contribution income.

Contributed Nonfinancial Assets

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values based on the standard rates for those services provided charged to others in the period received. For the years ended June 30, 2022, and 2021, $16,508 and $0, respectively, of contributions of nonfinancial assets are recognized in the statement of activities for donations pertaining to special events and an equipment donation to benefit Services. Such donations are reported as increases in net assets without donor restriction, unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their uses and contributions of cash that must be used to acquire property and equipment are reported as donor-restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Foundation reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Property and Equipment

Buildings and improvements, equipment, vehicles and leasehold improvements costing $5,000 or more are capitalized and are depreciated or amortized on a straight-line basis, based upon an estimated useful life. During the year ended June 30, 2022, the Organization's management revised its estimate of the useful lives of assets and prospectively adjusted its depreciation calculations. As a result, the Organization is now depreciating assets over the following useful lives: 5 to 40 years for buildings and improvements and 3 to 10 years for equipment and vehicles. However, if the equipment is exclusively used for school-related activities, then the Organization capitalizes equipment with a fair market value of $2,000 or more in order to comply with regulations from the DOE. Repairs and maintenance which do not extend the useful lives of the related assets are expensed as incurred.

Land and buildings acquired by grants or contracts are considered owned by the Organization while used in the program for which they were purchased or in other future authorized programs; however, the grantors have reversionary interests in certain land and buildings. Disposition of these assets, as well as ownership of any proceeds therefrom, is subject to certain regulation.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

The Organization has entered into various noncancelable operating leases for its fleet of vehicles and office facilities. The Organization determines if an arrangement is a lease at inception.

Operating leases (with the exception of leases with a term of twelve months or less) are recorded in operating lease right-of-use assets and obligations under operating leases liabilities in the combined statements of financial position. Leases with a term of twelve months or less are considered short-term leases and are accounted for as an expense in the combined statements of activities as rental payments are incurred.

Operating lease assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments arising from the lease. Operating lease assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. The Organization uses the implicit rate when readily determinable. When the lease does not provide an implicit rate, the Organization uses a secured borrowing rated based on the information available at the commencement date in determining the present value of lease payments.

The Organization's lease terms may include options to extend if the option is considered reasonably certain to be exercised. Operating lease expense for lease payments is recognized on a straight-line basis over the lease term.

Debt Issuance Costs

Debt issuance costs are being amortized using the effective interest method over the life of the related debt.

Income Taxes

The Foundation and Eden have received determination letters from the Internal Revenue Service ("IRS") concluding that they are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC"). The Foundation and Eden have been classified as organizations that are not private foundations under Sections 509(a)(3) and 509(a)(2), respectively, of the IRC and qualify for deductible contributions as provided in Section 170(b)(1)(A).

The Organization accounts for uncertainty in income taxes recognized in the combined financial statements using a recognition threshold of more likely than not as to whether the uncertainty will be sustained upon examination by the appropriate taxing authority. Measurement of the tax uncertainty occurs if the recognition threshold has been met. Management determined there were no tax uncertainties that met the recognition threshold. The Organization's federal exempt organization returns are no longer subject to examination by the IRS for years prior to 2019.

The Organization did not record any interest or penalties on uncertain tax positions in the accompanying combined statements of financial position as of June 30, 2022 or 2021, or in the accompanying combined statements of activities for the years then ended. If the Organization were to incur any income tax liability in the future, interest on any income tax liability would be reported as interest expense and penalties on any income tax liability would be reported as income taxes.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Cost Allocation Methods

The Organization allocates health insurance and other employee benefits as well as payroll taxes based on the direct wages and salaries for each program and cost center. Rental and other facilities costs are allocated based on the square footage utilized by each program or cost center. Management & General Costs (indirect costs) are allocated based on the direct costs for each program or cost center.

Recently Adopted Accounting Pronouncement

In September 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which is intended to increase the transparency regarding the measurement of contributed nonfinancial assets recognized by not-for-profit entities, as well as the amount of those contributions used in a not-for-profit entity's programs and other activities. The amendments in this update require that the Organization present contributed nonfinancial assets as a separate line item in the combined statements of activities by category that depicts the type of contributed nonfinancial assets. The Organization adopted the guidance during the year ended June 30, 2022. The combined statement of activities was updated to reflect contributed nonfinancial assets as a result of the adoption of this pronouncement.

Recently Issued Accounting Pronouncement

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments.* ASU 2016-13 replaced the previous "incurred loss" model for recognizing credit losses (i.e., losses are not recorded until it is probable that a loss has been incurred) with the current expected credit loss (CECL) model under which all expected credit losses for financial assets held at the reporting date that are accounted for at amortized cost or are classified as available for sale are required to be measured and recognized based on historical experience and current and reasonably supportable forecasted conditions. ASU 2016-13 is effective for fiscal years beginning after December 15, 2022. The Organization is currently evaluating the impact ASU 2016-13 will have on its combined financial statements

Subsequent Events

Management has evaluated subsequent events that occurred after the combined statements of financial position date and through November 17, 2022, the date the combined financial statements were available to be issued. No items were determined by management to require disclosure.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

C. FAIR VALUE AND INVESTMENTS

Investments carried at fair value as of June 30, 2022 and 2021, by valuation hierarchy, are as follows:

	June 30, 2022		
	Level 1	Level 2	Level 3
Mutual Funds/Equity	$ 16,509,465	$ -	$ -
Bond Funds/Fixed Income	6,071,052	-	-
	$ 22,580,517	$ -	$ -

	June 30, 2021		
	Level 1	Level 2	Level 3
Mutual Funds/Equity	$ 10,186,780	$ -	$ -
Bond Funds/Fixed Income	6,363,659	-	-
	$ 16,550,439	$ -	$ -

D. CONTRIBUTION AND TRUST RECEIVABLES

Contribution and trust receivables consist of the following as of June 30, 2022 and 2021:

	2022	2021
Due in one year or less	$ 111,107	$ 160,491
Due in more than one year	158,166	193,994
Total contribution and trust receivables	269,273	354,485
Less: discount to net present value	(36,914)	(50,198)
Less: allowance for uncollectible accounts	(38,415)	(50,828)
Total	$ 193,944	$ 253,459

E. PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of June 30, 2022 and 2021:

	2022	2021
Land	$ 3,073,807	$ 3,073,807
Building and improvements	22,114,074	21,796,998
Furniture, fixtures, equipment and vehicles	1,241,115	1,884,656
Construction in progress	402,626	4,501
Subtotal	26,831,622	26,759,962
Accumulated depreciation and amortization	(8,537,554)	(8,456,915)
Property and equipment, net	$ 18,294,068	$ 18,303,047

Depreciation expense was $755,284 and $931,518 for the years ended June 30, 2022 and 2021, respectively.

F. LINE OF CREDIT

In December 2009, the Foundation entered into an amended revolving line of credit facility with a bank for a total availability of $1,500,000. In February 2022, the available borrowings were increased to $2,500,000. There were no balances outstanding on the line of credit at June 30, 2022 and 2021. Interest is charged at a rate equal to the daily Bloomberg Short-Term Bank Yield Index rate plus 2.50%. The line of credit is secured by certain property of the Foundation.

G. NOTES PAYABLE

Notes payable consists of five (5) mortgages collateralized by five (5) properties located in New Jersey. One mortgage has monthly payments of $1,675 through August 2023, with a balloon payment of $213,040 in September 2023, and an interest rate of 4.74%. This mortgage was paid off during the year ended June 30, 2022. The second mortgage has monthly payments of $1,262 through August 2023, with a balloon payment of $160,510 in September 2023, and an interest rate of 4.74%. This mortgage was paid off during the year ended June 30, 2022. The third mortgage, totaling $240,000 has ten annual payments of $5,000 from January 2017 through January 2026, interest-free. The remaining balance of $190,000 will be forgiven by the County of Mercer after the payment of these ten installments. The fourth mortgage is also issued by the County of Mercer, totaling $240,000, and has ten annual payments of $5,000 from January 2018 through January 2027, interest-free. The remaining balance of $190,000 will also be forgiven by the County of Mercer after the payment of these ten installments. The fifth mortgage is from the New Jersey Housing and Mortgage Finance Agency. This loan is a 30-year interest-free loan with repayment subject to available cash flow as defined. This loan will be repaid from 25% of the available cash flow remaining after the payment of operating expenses on the Schenk Place group home. For the year ended June 30, 2022, there was no available cash flow remaining after payment of operating expenses on the Schenk Place group home.

On February 22, 2022, the Foundation entered into a loan agreement with a bank for borrowings in the amount of $9,665,000. The proceeds from the loan were primarily used to repay the outstanding amount of the tax-exempt bonds (see Note I). Under the terms of the loan agreement, monthly payments of principal and interest in the amount of $56,014 are due through July 1, 2040. The loan bears interest at a rate of 2.71% per annum. As of June 30, 2022, $9,436,833 was outstanding on the loan. The loan is guaranteed by Princeton University. Unamortized debt issuance costs associated with the tax-exempt bonds of $426,413 were expensed during the year ended June 30, 2022 and are reflected as loss on debt refinancing on the combined statement of activities.

Total maturities of these notes payable as of June 30, 2022, are as follows:

Year ending June 30,	
2023	$ 424,427
2024	435,286
2025	447,792
2026	454,974
2027	462,495
Thereafter	8,148,683
Subtotal	10,373,657
Less: issuance costs	(131,944)
Total	$ 10,241,713

As part of the loan agreement entered into during the year ended June 30, 2022, the Foundation is subject to certain financial covenants assessed on a combined basis with Services. As of and for the year ended June 30, 2022, the Foundation was in compliance with these covenants.

H. PAYCHECK PROTECTION PROGRAM LOAN

As a result of the global pandemic from COVID-19, and the plans to mitigate and protect employees, consumers and others from the virus, the Organization applied for relief funding from the government. On May 4, 2020, the Organization entered into a term note agreement as part of the United States Small Business Administration's (the "SBA") Paycheck Protection Program. The funds were used primarily to retain employees, as well as for rent and utility costs. The loan was for a principal sum of $4,435,685, and accrued interest at a rate of 1% per annum. The SBA loan may be forgiven if certain criteria are met. In August 2021, the entire balance, including all principal and interest, of the Organization's loan was forgiven by the SBA.

I. BONDS PAYABLE

In July 2010, the Foundation issued, with a guarantee from the Trustees of Princeton University, tax-exempt bonds by the New Jersey Economic Development Authority in the amount of $12,000,000 for the construction of a new school building in the Princeton Forrestal Village. The bond indenture and guarantee agreement with Princeton University contained certain financial and other covenants. These bonds will mature on the dates and in the amounts and bear interest at the rates set forth in the agreement which specifies interest rates and terms based on each bond Committee on Uniform Security Identification Procedures ("CUSIP"). Interest rates varied between 1.300% and 4.125%, with maturities in the calendar years 2014 through 2040. Interest on the bonds is payable semi-annually. On February 22, 2022, the bonds were repaid with the proceeds from the note payable (see note G).

J. LEASES

The Organization has operating leases for most of its fleet of vehicles and two (2) office facilities where it operates two (2) day programs. The leases have remaining terms for 1 to 11 years, some of which include options to extend the leases for up to ten years.

These operating leases have been reflected as operating lease liability and recorded at net present value on the combined statements of financial position. Future minimum undiscounted lease payments under non-cancellable operating leases as of June 30, 2022, are as follows:

Year ending June 30,	
2023	$ 606,647
2024	532,046
2025	476,455
2026	358,251
2027	204,756
Thereafter	979,933
Total	$ 3,158,088

The Foundation leases facilities and equipment to Eden under various lease agreements. Rent incurred by Eden and paid to the Foundation under these lease agreements totaled $664,378 and $818,643 for the years ended June 30, 2022 and 2021, respectively. During the years ended June 30, 2022 and 2021, the Foundation donated $325,906 and $297,670, respectively, to Eden. Donations from the Foundation for the year ended June 30, 2022, include $8,800 of nonfinancial assets received by the Foundation for the benefit of Eden. The Foundation or Eden may make payments on behalf of one another for which they are reimbursed and either party may advance funds to one another for cash flow purposes. As of June 30, 2022, $398,778 was due from the Foundation to Eden. As of June 30, 2021, $174,461 was due from Eden to the Foundation. These balances are eliminated in combination.

K. CONTINGENCIES

The Organization receives financial assistance from the State of New Jersey in the form of grants. Entitlement to these resources is conditional upon compliance with the terms and conditions of the grant agreements and applicable regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by the grantors. Additionally, the Organization is subject to audits by the DOE for tuition and fees generated from public school students in the State of New Jersey. Entitlement to public school revenues in the State of New Jersey is based upon compliance with various mandates of the DOE, including allowable cost and maintenance of various records. As of June 30, 2022 and 2021, management estimates that no liability will result from such audits.

In the event that any of the residential facilities cease to function as residential care facilities, the Organization will be liable to the State of New Jersey, Department of Human Services, for grants of $4,216,681, made to purchase land, buildings and equipment, and the return of such property or proceeds therefrom would revert to the State of New Jersey.

The Organization is a party to certain claims and litigation arising in the ordinary course of business. In the opinion of management, the resolution of such claims and litigation will not materially affect the Organization's financial position.

L. RETIREMENT PLANS

The Organization provides a defined contribution retirement plan (the "Plan") covering substantially all employees under arrangements with Principal Financial Group; this Plan provides for the purchase of investments for employees. The Plan was established on July 1, 1983, and amended January 1, 2009, and is a qualified plan under and in conformity with the Employee Retirement Income Security Act of 1974 and its successor legislations. An employee becomes eligible for the Plan after completing one year of service of at least 1,000 hours and attaining the age of 21. Plan matching contributions are based on a discretionary match. The Organization also provides a 457(f) Plan for key executive employees. For the years ended June 30, 2022 and 2021, the Organization made contributions to its retirement plans of $439,474 and $389,014, respectively.

M. CONCENTRATION OF RISK

The Organization maintains cash and investment balances that may exceed federally insured limits, but historically has not experienced any credit-related losses.

The Organization received approximately 24% and 20% of its total support and revenues from New Jersey Public School districts for the years ended June 30, 2022 and 2021, respectively. Tuition revenue is subject to financial and compliance requirements and possible audits by the DOE. The Organization received approximately 61% and 46% of its total support and revenues from Medicaid during the years ended June 30, 2022 and 2021, respectively.

N. SPECIAL EVENTS

During the years ended June 30, 2022 and 2021, the Organization incurred expenses directly related to certain fundraising events that are included in donations, special projects and special events in the accompanying combined statements of activities as follows:

	2022	2021
Eden Dreams	$ 45,233	$ 55,251
5k Race	30,588	21,543
Eden Raffle	2,338	18,355
Other	6,552	-
	$ 84,711	$ 95,149

O. NET ASSETS

<u>Net Assets Without Donor Restrictions</u>

Net assets without donor restrictions – the part of net assets that is not subject to donor-imposed restrictions as of June 30, 2022 and 2021, is as follows:

	2022	2021
Undesignated	$ 26,576,534	$ 22,957,698
Board designated for building improvement and fixed assets	2,129,412	651,196
Building and other fixed assets (net)	8,052,355	8,879,464
Charitable lead trust (NPV)	174,994	215,452
Portion of Adult Services Endowment subject to the Foundation's spending policy and Board appropriation	1,899,505	2,598,451
Total net assets without donor restrictions	$ 38,832,800	$ 35,302,261

<u>Net Assets With Donor Restrictions</u>

Net assets with donor restrictions – the part of net assets that is subject to donor-imposed restrictions as of June 30, 2022 and 2021, is as follows:

Subject to expenditure for specified purpose:	2022	2021
Operating and capital expenditure for the Residential Program	$ 86,774	$ 76,526
Operating and capital expenditure for the Day Program	-	108,737
Operating and capital expenditure for the Adult Services	124,309	105,068
Operating and capital expenditure for the Eden School	6,974	5,898
Operating and capital expenditure for the Outreach	-	1,000
Alexis Kate Scholarship Fund	9,400	9,400
Reserves for Charitable Gift Annuity	150,000	150,000
Total subject to expenditure for specified purpose	377,457	456,629
Adult Services Endowment principal restricted in perpetuity	2,676,910	2,626,610
Total net assets with donor restrictions	$ 3,054,367	$ 3,083,239

O. NET ASSETS (CONTINUED)

Net assets were released from donor restrictions as follows for the years ended June 30, 2022 and 2021:

	2022	2021
Adult Residential Program	$ 30,760	$ 15,801
Adult Day/Employment Program	246,617	162,270
Eden School	-	29,324
Other	-	500
Total	$ 277,377	$ 207,895

P. ENDOWMENT POLICY

The Organization has received contributions to establish endowment funds. Earnings, such as interest and dividends, from the endowment are expendable but restricted in use to support programs.

1. Endowment Description and Interpretation of Relevant Law

The endowments may consist of domestic equity, international equity, fixed income and cash equivalents. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. In June 2009, the State of New Jersey enacted a version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"), which replaced the prior Uniform Management of Institutional Funds Act ("UMIFA"). During 2010, the Board interpreted the new act as allowing the Organization the powers to manage and invest the funds in good faith and with the care an ordinarily prudent person, in a like position, would exercise under similar circumstances. As a result of this interpretation, the Organization has not changed the way donor-restricted net assets are classified. The original value of all gifts donated to the Endowment Fund is classified as net assets with donor restrictions while the endowment earnings and capital appreciation are classified as net assets without donor restrictions subject to Board appropriation for expenditure.

2. Endowment Spending Policy

At this time, earnings are reinvested within the respective endowment, however, such earnings are reflected within net assets without donor restrictions for financial reporting purposes. A spending policy was adopted on November 20, 2012, which provided for a 2% spend on the three-year average market value of the endowment, subject to annual budgetary approval. Once the endowment reaches $5 million, the spend percentage will increase to 4.5%. For the years ended June 30, 2022 and 2021, no amounts were appropriated or spent on program support as a result of this endowment spending policy.

3. Endowment Investment Policies

The Organization adopted an investment policy on September 11, 2006, as revised and approved on November 20, 2012, that establishes the criteria for matching long-term objectives to an appropriate investment plan. It provides a frame of reference that will help keep it focused on long-term objectives. This focus is especially valuable during periods of market volatility, when there may be a tendency to focus on short-term factors. It establishes the criteria against which progress can be measured.

P. ENDOWMENT POLICY (CONTINUED)

In accordance with U.S. GAAP, underwater endowments are reported within the net assets with donor restrictions rather than reducing net assets without donor restrictions for the amounts by which endowment funds are underwater. An endowment fund that has become "underwater" will therefore, result in decreases in net assets with donor restrictions, despite the absence of any legal obligation to restore the endowment fund for such losses. Net assets with donor restrictions that have been reduced because of this requirement will be restored from future gains from the endowment.

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, June 30, 2020	$ 1,551,188	$ 2,608,395	$ 4,159,583
Investment return:			
Investment income	94,382	-	94,382
Net appreciation	961,295	-	961,295
Total investment return	1,055,677	-	1,055,677
Contributions	-	18,215	18,215
Less broker fees	(8,414)	-	(8,414)
Endowment net assets, June 30, 2021	$ 2,598,451	$ 2,626,610	$ 5,225,061
Investment return:			
Investment income	107,516	-	107,516
Net depreciation	(795,122)	-	(795,122)
Total investment return	(687,606)	-	(687,606)
Contributions	-	50,300	50,300
Less broker fees	(11,340)	-	(11,340)
Endowment net assets, June 30, 2022	$ 1,899,505	$ 2,676,910	$ 4,576,415

Q. LIQUIDITY AND AVAILABILITY OF RESOURCES

As of June 30, 2022 and 2021, financial assets and liquidity resources available within one (1) year for general expenditure, such as operating expenses, are as follows:

	2022	2021
Financial assets:		
Cash and cash equivalents	$ 10,106,679	$ 15,695,403
Investments	22,580,517	16,550,439
Accounts receivable, net	3,710,258	5,353,985
Current portion of contribution and trust receivable, net of allowance for uncollectible accounts	72,692	109,663
Borrowings available under line of credit agreement	2,500,000	1,500,000
Total financial assets available within one (1) year	38,970,146	39,209,490
Less amounts unavailable for general expenditures within one (1) year:		
Restricted by donors for specific purposes	(377,457)	(456,629)
Restricted by donors for Endowment Fund	(2,676,910)	(2,626,610)
Restricted cash to comply with bond's covenants	-	(531,893)
Accounts receivable related to school districts expected to be collected after one (1) year	(43,471)	(214,664)
Investment funds unavailable to management without Board's approval	(19,903,607)	(13,923,829)
Total amounts unavailable for general expenditures within one (1) year:	(23,001,445)	(17,753,625)
Total financial assets available within one (1) year	$ 15,968,701	$ 21,455,865

Q. LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

The Organization manages its financial assets to be available as its operating expenditures, liabilities and other obligations come due. The timing of cash flows primarily fluctuates based on specials events and collections of donors' pledges. The Organization maintains its surplus operating cash in interest-bearing accounts as well as in liquid investments. In addition, the Organization has available net assets without donor restrictions that, while the Organization does not intend to use these funds, the amounts could be made available for current operations, if necessary, with the approval from the Board.

R. CORONAVIRUS OUTBREAK – BUSINESS IMPACT

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Organization operates. While it is unknown how long these conditions will last and what the complete financial effect will be to the Organization, to date, the Organization has experienced interruptions in its ability to host fundraising events, as well as decreases in contributions. Additionally, it is reasonably possible that estimates made in the combined financial statements have been, or will be, materially and adversely impacted in the near term as a result of these conditions, including collectability of receivables.

S. PRIOR PERIOD ADJUSTMENT

Net assets as of July 1, 2020, have been decreased by $47,854, as a result of the correction of an error related to billing on DOE contracts. There was a corresponding increase made to accounts payable for monies owed back to sending districts. This change was applied retrospectively as a prior period adjustment.

SUPPLEMENTAL INFORMATION

EDEN AUTISM SERVICES, INC. AND AFFILIATE

COMBINING STATEMENT OF FINANCIAL POSITION
June 30, 2022

	Eden Autism Services, Inc.	Eden Autism Services Foundation, Inc.	Eliminations	Total
ASSETS				
Current Assets				
Cash and cash equivalents	$ 8,479,857	$ 1,626,822	$ -	$ 10,106,679
Assets whose use is limited	80,654	-	-	80,654
Investments	7,065,773	15,514,744	-	22,580,517
Accounts receivable, net of allowance for uncollectible accounts of $97,071	3,710,258	-	-	3,710,258
Contribution and trust receivables, current portion net of allowance for uncollectible accounts of $38,415	-	72,692	-	72,692
Prepaid expenses and other assets	374,186	15,652	-	389,838
Due from related entity	398,778	-	(398,778)	-
Total Current Assets	20,109,506	17,229,910	(398,778)	36,940,638
Property and equipment, net	8,573,386	9,720,682	-	18,294,068
Contribution and trust receivables, noncurrent portion	-	121,252	-	121,252
Right-of-use asset, net present value - operating leases	9,587,460	-	(8,926,193)	661,267
Total Non-Current Assets	18,160,846	9,841,934	(8,926,193)	19,076,587
Total Assets	$ 38,270,352	$ 27,071,844	$ (9,324,971)	$ 56,017,225
LIABILITIES AND NET ASSETS				
Current Liabilities				
Accounts payable	$ 556,253	$ -	$ -	$ 556,253
Due to related entity	-	398,778	(398,778)	-
Accrued expenses and other liabilities	2,469,139	75,536	-	2,544,675
Deferred revenue	26,040	19,456	-	45,496
Lease liability - current portion - operating leases	1,199,331	-	(592,684)	606,647
Notes payable - current portion	10,000	414,427	-	424,427
Total Current Liabilities	4,260,763	908,197	(991,462)	4,177,498
Client fund liability	80,654	-	-	80,654
Lease liability - long term, net present value - operating leases	8,388,129	-	(8,333,509)	54,620
Notes payable - long term, net of issuance costs	794,880	9,022,406	-	9,817,286
Total Non-Current Liabilities	9,263,663	9,022,406	(8,333,509)	9,952,560
Total Liabilities	13,524,426	9,930,603	(9,324,971)	14,130,058
NET ASSETS				
Without donor restrictions	24,745,926	14,086,874	-	38,832,800
With donor restrictions	-	3,054,367	-	3,054,367
Total Net Assets	24,745,926	17,141,241	-	41,887,167
Total Liabilities and Net Assets	$ 38,270,352	$ 27,071,844	$ (9,324,971)	$ 56,017,225

EDEN AUTISM SERVICES, INC. AND AFFILIATE

COMBINING STATEMENT OF FINANCIAL POSITION
June 30, 2021 (Restated)

	Eden Autism Services, Inc.	Eden Autism Services Foundation, Inc.	Eliminations	Total
ASSETS				
Current Assets				
Cash and cash equivalents	$ 13,159,259	$ 2,536,144	$ -	$ 15,695,403
Assets whose use is limited	113,689	-	-	113,689
Investments	-	16,550,439	-	16,550,439
Accounts receivable, net of allowance for uncollectible accounts of $110,442	5,353,985	-	-	5,353,985
Contribution and trust receivables, current portion net of allowance for uncollectible accounts of $50,828	-	109,663	-	109,663
Prepaid expenses and other assets	321,490	8,997	-	330,487
Due from related entity	-	174,461	(174,461)	-
Total Current Assets	18,948,423	19,379,704	(174,461)	38,153,666
Property and equipment, net	8,278,876	10,024,171	-	18,303,047
Contribution and trust receivables, noncurrent portion	-	143,796	-	143,796
Right-of-use asset, net present value - operating leases	10,272,570	-	(7,681,520)	2,591,050
Total Non-Current Assets	18,551,446	10,167,967	(7,681,520)	21,037,893
Total Assets	$ 37,499,869	$ 29,547,671	$ (7,855,981)	$ 59,191,559
LIABILITIES AND NET ASSETS				
Current Liabilities				
Accounts payable	$ 473,898	$ -	$ -	$ 473,898
Due to related entity	174,461	-	(174,461)	-
Accrued expenses and other liabilities	2,206,305	255,110	-	2,461,415
Deferred revenue	6,461	21,510	-	27,971
Lease liability - current portion - operating leases	1,358,165	-	(769,724)	588,441
Notes payable - current portion	26,168	-	-	26,168
Bonds payable - short term	-	335,000	-	335,000
Total Current Liabilities	4,245,458	611,620	(944,185)	3,912,893
Client fund liability	113,689	-	-	113,689
Lease liability - long term, net present value - operating leases	8,914,405	-	(6,911,796)	2,002,609
Notes payable - long term, net of issuance costs	1,201,440	-	-	1,201,440
PPP loan payable, including accrued interest of $6,806	4,486,845	-	-	4,486,845
Bonds payable - long-term, net of issuance costs	-	9,088,583	-	9,088,583
Total Non-Current Liabilities	14,716,379	9,088,583	(6,911,796)	16,893,166
Total Liabilities	18,961,837	9,700,203	(7,855,981)	20,806,059
NET ASSETS				
Without donor restrictions	18,538,032	16,764,229	-	35,302,261
With donor restrictions	-	3,083,239	-	3,083,239
Total Net Assets	18,538,032	19,847,468	-	38,385,500
Total Liabilities and Net Assets	$ 37,499,869	$ 29,547,671	$ (7,855,981)	$ 59,191,559

EDEN AUTISM SERVICES, INC. AND AFFILIATE

COMBINING STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

	Eden Autism Services, Inc.	Eden Autism Services Foundation, Inc.			
	Without Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Eliminations	Total
Support and Other Revenues					
Medicaid	$ 26,985,748	$ -	$ -	$ -	$ 26,985,748
State of New Jersey revenue	134,513	-	-	-	134,513
COVID-19 assistance payments	2,840,143	-	-	-	2,840,143
School district revenue	10,529,759	-	-	-	10,529,759
Contributions of cash and other financial assets	-	695,726	248,505	-	944,231
Contributed nonfinancial assets	-	16,508	-	-	16,508
Client housing	1,131,190	-	-	-	1,131,190
Other fees and program services	328,521	-	-	-	328,521
Contributions from related party	325,906	-	-	(325,906)	-
Rental income	-	664,378	-	(664,378)	-
Merchandise revenue, net of cost of goods sold	-	3,435	-	-	3,435
Other revenues	4,865,519	2,601	-	-	4,868,120
Interest income	157,683	370,730	-	-	528,413
Loss on investments, net of investment expenses	(1,048,240)	(2,693,040)	-	-	(3,741,280)
Net assets released from restrictions	-	277,377	(277,377)	-	-
Total support and other revenues	46,250,742	(662,285)	(28,872)	(990,284)	44,569,301
Expenses					
Program	35,755,256	981,543	-	(990,284)	35,746,515
Management, general and administrative	4,287,592	68,694	-	-	4,356,286
Fundraising	-	538,420	-	-	538,420
Total expenses	40,042,848	1,588,657	-	(990,284)	40,641,221
Change in net assets before loss on debt refinancing	6,207,894	(2,250,942)	(28,872)	-	3,928,080
Loss on debt refinancing	-	426,413	-	-	426,413
Change in net assets	6,207,894	(2,677,355)	(28,872)	-	3,501,667
Net assets beginning of year	18,538,032	16,764,229	3,083,239	-	38,385,500
Net assets end of year	$ 24,745,926	$ 14,086,874	$ 3,054,367	$ -	$ 41,887,167

EDEN AUTISM SERVICES, INC. AND AFFILIATE

COMBINING STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021 (Restated)

	Eden Autism Services, Inc.	Eden Autism Services Foundation, Inc.			
	Without Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Eliminations	Total
Support and Other Revenues					
Medicaid	$ 21,662,720	$ -	$ -	$ -	$ 21,662,720
State of New Jersey revenue	271,646	-	-	-	271,646
COVID-19 assistance payments	5,928,608	-	-	-	5,928,608
School district revenue	9,690,742	-	-	-	9,690,742
Contributions of cash and other financial assets	-	987,604	223,895	-	1,211,499
Client housing	1,046,321	-	-	-	1,046,321
Other fees and program services	290,137	-	-	-	290,137
Contributions from related party	297,670	-	-	(297,670)	-
Rental income	-	818,643	-	(818,643)	-
Investment income, net of investment expenses	-	3,020,646	-	-	3,020,646
Interest income	17,859	301,715	-	-	319,574
Other revenues	4,063,270	41,377	-	-	4,104,647
Net assets released from restrictions	-	207,895	(207,895)	-	-
Total support and other revenues	43,268,973	5,377,880	16,000	(1,116,313)	47,546,540
Expenses					
Program	33,695,008	1,104,343	-	(1,116,313)	33,683,038
Management, general and administrative	3,745,137	59,858	-	-	3,804,995
Fundraising	-	585,021	-	-	585,021
Total expenses	37,440,145	1,749,222	-	(1,116,313)	38,073,054
Change in net assets	5,828,828	3,628,658	16,000	-	9,473,486
Net assets beginning of year - as previously stated	12,757,058	13,135,571	3,067,239	-	28,959,868
Prior period adjustment - see Note S	(47,854)	-	-	-	(47,854)
Net assets beginning of year - restated	12,709,204	13,135,571	3,067,239	-	28,912,014
Net assets end of year	$ 18,538,032	$ 16,764,229	$ 3,083,239	$ -	$ 38,385,500