 Audited Consolidated Financial Statements
And Supplementary Information

Alzheimer's Community Care, Inc.
and Subsidiary

June 30, 2021 and 2020
# ALZHEIMER'S COMMUNITY CARE, INC. AND SUBSIDIARY
## AUDITED CONSOLIDATED FINANCIAL STATEMENTS
### AND SUPPLEMENTARY INFORMATION
### JUNE 30, 2021 AND 2020

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<th>Section</th>
<th>Page</th>
</tr>
</thead>
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<td>INDEPENDENT AUDITOR'S REPORT</td>
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<td>Consolidating Statements of Activities</td>
<td>25</td>
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<tr>
<td>Consolidating Statements of Cash Flows</td>
<td>27</td>
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</table>
Independent Auditor’s Report

To the Board of Directors
Alzheimer’s Community Care, Inc. and Subsidiary
West Palm Beach, Florida

We have audited the accompanying consolidated financial statements of Alzheimer’s Community Care, Inc. and Subsidiary (the “Organization”, a not-for-profit organization), which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; 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 U.S. generally accepted auditing standards. 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, whether due to fraud or error.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Alzheimer’s Community Care, Inc. and Subsidiary as of June 30, 2021 and 2020, and the changes in their net assets and their cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

**Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information on pages 23 through 28 is presented for purposes of additional analysis and is 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 U.S. generally accepted auditing standards. In our opinion, the consolidating information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

West Palm Beach, Florida
November 15, 2021
ALZHEIMER'S COMMUNITY CARE, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

June 30, 2021 and 2020

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>CURRENT ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$ 1,187,319</td>
<td>$ 1,258,312</td>
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<tr>
<td>Investments</td>
<td>9,387,402</td>
<td>7,748,945</td>
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<tr>
<td>Accounts receivable, net of allowance for doubtful accounts</td>
<td>843,944</td>
<td>823,627</td>
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<td>Current portion of contributions receivable</td>
<td>130,000</td>
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<tr>
<td>Prepaid expenses</td>
<td>125,089</td>
<td>114,158</td>
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<td>TOTAL CURRENT ASSETS</td>
<td>11,673,754</td>
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<tr>
<td>PROPERTY AND EQUIPMENT, net</td>
<td>2,593,199</td>
<td>2,242,720</td>
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<td>OTHER ASSETS</td>
<td></td>
<td></td>
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<tr>
<td>Contributions receivable, less current portion</td>
<td>42,810</td>
<td>-</td>
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<td>Deposits and other assets</td>
<td>8,087</td>
<td>8,837</td>
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<tr>
<td>Long-term investments</td>
<td>60,643</td>
<td>60,643</td>
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<td>TOTAL OTHER ASSETS</td>
<td>111,540</td>
<td>69,480</td>
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<td>LIABILITIES AND NET ASSETS</td>
<td></td>
<td></td>
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<tr>
<td>CURRENT LIABILITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$ 129,740</td>
<td>$ 55,711</td>
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<tr>
<td>Accrued expenses</td>
<td>221,122</td>
<td>220,832</td>
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<tr>
<td>Current portion of loan payable</td>
<td>-</td>
<td>469,108</td>
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<tr>
<td>TOTAL CURRENT LIABILITIES</td>
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<td>745,651</td>
</tr>
<tr>
<td>LOAN PAYABLE, net of current portion</td>
<td>-</td>
<td>476,614</td>
</tr>
<tr>
<td>TOTAL LIABILITIES</td>
<td>350,862</td>
<td>1,222,265</td>
</tr>
<tr>
<td>NET ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without donor restrictions</td>
<td>13,390,625</td>
<td>10,614,169</td>
</tr>
<tr>
<td>With donor restrictions</td>
<td>637,006</td>
<td>420,808</td>
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<td>TOTAL NET ASSETS</td>
<td>14,027,631</td>
<td>11,034,977</td>
</tr>
<tr>
<td></td>
<td>$ 14,378,493</td>
<td>$ 12,257,242</td>
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See notes to consolidated financial statements.
## Changes in Net Assets Without Donor Restrictions

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues and Other Support</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td>$3,762,385</td>
<td>$4,715,740</td>
</tr>
<tr>
<td>Contributions</td>
<td>2,599,968</td>
<td>2,241,226</td>
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<tr>
<td>Government grants</td>
<td>719,595</td>
<td>629,339</td>
</tr>
<tr>
<td>United Way</td>
<td>252,957</td>
<td>245,558</td>
</tr>
<tr>
<td>Special events</td>
<td></td>
<td>288,995</td>
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<tr>
<td>Net investment income</td>
<td>1,875,653</td>
<td>452,913</td>
</tr>
<tr>
<td>PPP loan forgiveness</td>
<td>945,722</td>
<td>-</td>
</tr>
<tr>
<td>Other revenue</td>
<td>31,287</td>
<td>14,990</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>233,812</td>
<td>551,287</td>
</tr>
<tr>
<td><strong>Total revenues and other support</strong></td>
<td>10,421,379</td>
<td>9,140,048</td>
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</table>

<table>
<thead>
<tr>
<th><strong>Expenses</strong></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Program services</td>
<td></td>
</tr>
<tr>
<td>Special program</td>
<td></td>
</tr>
<tr>
<td>Daycare</td>
<td>4,834,509</td>
</tr>
<tr>
<td>Patient and family services</td>
<td></td>
</tr>
<tr>
<td>Family consultants</td>
<td>1,133,342</td>
</tr>
<tr>
<td>Case management</td>
<td>310,992</td>
</tr>
<tr>
<td>Crisis line</td>
<td>39,046</td>
</tr>
<tr>
<td>Other services</td>
<td></td>
</tr>
<tr>
<td>Education and training</td>
<td>429,233</td>
</tr>
<tr>
<td>Volunteer services</td>
<td>42,234</td>
</tr>
<tr>
<td>ID locator bracelets</td>
<td>342,815</td>
</tr>
<tr>
<td><strong>Total program services</strong></td>
<td>7,132,171</td>
</tr>
<tr>
<td>Supporting services</td>
<td></td>
</tr>
<tr>
<td>Management and general</td>
<td>219,924</td>
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<tr>
<td>Fundraising</td>
<td>292,828</td>
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<td><strong>Total supporting services</strong></td>
<td>512,752</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>7,644,923</td>
</tr>
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</table>

**Increase in Net Assets Without Donor Restrictions**

2,776,456 \[991,785\]

**Changes in Net Assets With Donor Restrictions**

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>450,010</td>
<td>502,510</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>(233,812)</td>
<td>(551,287)</td>
</tr>
</tbody>
</table>

**Increase (Decrease) in Net Assets With Donor Restrictions**

216,198 \[-48,777\]

**Increase in Net Assets**

2,992,654 \[943,008\]

| Net assets at beginning of year | 11,034,977 | 10,091,969 |
| Net assets at end of year       | 14,027,631 | 11,034,977 |

See notes to consolidated financial statements.
## ALZHEIMER'S COMMUNITY CARE, INC. AND SUBSIDIARY
### CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2021

<table>
<thead>
<tr>
<th>Program Services</th>
<th>Special Program</th>
<th>Patient and Family Services</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Daycare</td>
<td>Consultants</td>
<td>Case Management</td>
</tr>
<tr>
<td>Salaries</td>
<td>$2,503,269</td>
<td>$649,996</td>
<td>$200,632</td>
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<tr>
<td>Contract labor</td>
<td>5,281</td>
<td>1,636</td>
<td>410</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>286,478</td>
<td>90,496</td>
<td>24,313</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>175,519</td>
<td>59,574</td>
<td>14,049</td>
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<tr>
<td><strong>Total personnel and related expenses</strong></td>
<td><strong>2,970,547</strong></td>
<td><strong>801,702</strong></td>
<td><strong>239,404</strong></td>
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<td>Interest expense</td>
<td>6,165</td>
<td>1,960</td>
<td>491</td>
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<tr>
<td>Professional fees</td>
<td>153,044</td>
<td>46,245</td>
<td>11,580</td>
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<tr>
<td>Office supplies and stationary</td>
<td>19,316</td>
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<td>Telephone</td>
<td>90,279</td>
<td>25,288</td>
<td>6,235</td>
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<td>Postage and shipping</td>
<td>3,547</td>
<td>1,793</td>
<td>645</td>
</tr>
<tr>
<td><strong>Occupancy</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent</td>
<td>275,950</td>
<td>72,430</td>
<td>13,638</td>
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<tr>
<td>In-kind rent</td>
<td>285,577</td>
<td>33,507</td>
<td>5,441</td>
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<tr>
<td>Utilities and other</td>
<td>11,845</td>
<td>3,358</td>
<td>665</td>
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<td>Equipment maintenance</td>
<td>272,374</td>
<td>54,863</td>
<td>13,204</td>
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<tr>
<td>Travel</td>
<td>9,323</td>
<td>9,739</td>
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<td>Conferences and meetings</td>
<td>1,818</td>
<td>165</td>
<td>33</td>
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<td>Publicity, advertising and educational outreach</td>
<td>98,709</td>
<td>31,366</td>
<td>7,854</td>
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<td>Recruiting</td>
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<td>763</td>
<td>127</td>
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<td>Program food</td>
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<td>Program supplies</td>
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<td>3,589</td>
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<td>Miscellaneous</td>
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<td>6,922</td>
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<td>Hospitality services</td>
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<td>19</td>
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<td>Depreciation and amortization</td>
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<td><strong>Total expenses</strong></td>
<td><strong>4,834,509</strong></td>
<td><strong>1,133,342</strong></td>
<td><strong>310,992</strong></td>
</tr>
<tr>
<td>Program Services</td>
<td>Other Services</td>
<td>Total Management and General</td>
<td>Total Fundraising</td>
</tr>
<tr>
<td>------------------</td>
<td>----------------</td>
<td>----------------------------</td>
<td>-------------------</td>
</tr>
<tr>
<td>Volunteer Services</td>
<td>ID Locator Bracelets</td>
<td>Program Services</td>
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<tr>
<td>$ 26,909</td>
<td>$ 153,655</td>
<td>$ 3,837,459</td>
<td>$ 121,973</td>
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<td>71</td>
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<td>2,757</td>
<td>22,287</td>
<td>456,783</td>
<td>9,721</td>
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<td>2,040</td>
<td>11,320</td>
<td>285,343</td>
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<td>31,777</td>
<td>187,558</td>
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<td>9,918</td>
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<td>2,020</td>
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<td>1,960</td>
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<td>456</td>
<td>6,983</td>
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<td>12,916</td>
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<td>12,304</td>
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<td>337,827</td>
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<td>18</td>
<td>491</td>
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<td>1,373</td>
<td>8,658</td>
<td>362,880</td>
<td>12,169</td>
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<td>313</td>
<td>4,804</td>
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<td>1,370</td>
<td>5,684</td>
<td>158,796</td>
<td>5,108</td>
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<td>7</td>
<td>424</td>
<td>4,101</td>
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<td>-</td>
<td>13</td>
<td>230,729</td>
<td>480</td>
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<td>612</td>
<td>97,325</td>
<td>298,280</td>
<td>8,869</td>
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<td>815</td>
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<td>1,882</td>
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<tr>
<td>105</td>
<td>498</td>
<td>111,770</td>
<td>3,495</td>
</tr>
<tr>
<td>$ 42,234</td>
<td>$ 342,815</td>
<td>$ 7,132,171</td>
<td>$ 219,924</td>
</tr>
</tbody>
</table>

See notes to consolidated financial statements.
## ALZHEIMER'S COMMUNITY CARE, INC. AND SUBSIDIARY

### CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2020

<table>
<thead>
<tr>
<th></th>
<th>Program Services</th>
<th></th>
<th></th>
<th></th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Special Program</td>
<td>Patient and Family Services</td>
<td></td>
<td></td>
<td>Education and Training</td>
</tr>
<tr>
<td></td>
<td>Daycare</td>
<td>Consultants</td>
<td>Case Management</td>
<td>Crisis Line</td>
<td></td>
</tr>
<tr>
<td>Salaries</td>
<td>$2,706,608</td>
<td>$635,191</td>
<td>$185,008</td>
<td>$18,333</td>
<td>$311,183</td>
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<tr>
<td>Contract labor</td>
<td>104,634</td>
<td>6,167</td>
<td>1,544</td>
<td>287</td>
<td>2,429</td>
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<tr>
<td>Employee benefits</td>
<td>323,900</td>
<td>87,719</td>
<td>18,023</td>
<td>2,580</td>
<td>27,805</td>
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<tr>
<td>Payroll taxes</td>
<td>191,080</td>
<td>56,437</td>
<td>13,422</td>
<td>1,346</td>
<td>23,586</td>
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<tr>
<td><strong>Total personnel and related expenses</strong></td>
<td><strong>3,326,222</strong></td>
<td><strong>785,514</strong></td>
<td><strong>217,997</strong></td>
<td><strong>22,546</strong></td>
<td><strong>365,003</strong></td>
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<tr>
<td>Interest expense</td>
<td>22</td>
<td>7</td>
<td>2</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>Professional fees</td>
<td>131,859</td>
<td>42,298</td>
<td>10,625</td>
<td>1,946</td>
<td>26,485</td>
</tr>
<tr>
<td>Office supplies and stationary</td>
<td>28,270</td>
<td>11,955</td>
<td>3,469</td>
<td>761</td>
<td>4,384</td>
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<tr>
<td>Telephone</td>
<td>94,541</td>
<td>27,642</td>
<td>7,156</td>
<td>5,147</td>
<td>6,482</td>
</tr>
<tr>
<td>Postage and shipping</td>
<td>6,043</td>
<td>1,828</td>
<td>621</td>
<td>77</td>
<td>693</td>
</tr>
<tr>
<td><strong>Occupancy</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent</td>
<td>258,987</td>
<td>68,652</td>
<td>12,529</td>
<td>854</td>
<td>7,233</td>
</tr>
<tr>
<td>In-kind rent</td>
<td>305,909</td>
<td>45,077</td>
<td>7,879</td>
<td>1,463</td>
<td>12,397</td>
</tr>
<tr>
<td>Utilities and other</td>
<td>9,331</td>
<td>2,786</td>
<td>380</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>Equipment maintenance</td>
<td>233,587</td>
<td>56,210</td>
<td>13,619</td>
<td>1,513</td>
<td>13,147</td>
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<tr>
<td>Travel</td>
<td>16,416</td>
<td>14,942</td>
<td>3,753</td>
<td>163</td>
<td>6,602</td>
</tr>
<tr>
<td>Conferences and meetings</td>
<td>3,768</td>
<td>1,212</td>
<td>292</td>
<td>54</td>
<td>997</td>
</tr>
<tr>
<td>Publicity, advertising and educational outreach</td>
<td>77,308</td>
<td>24,023</td>
<td>6,015</td>
<td>1,117</td>
<td>9,464</td>
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<tr>
<td>Recruiting</td>
<td>1,608</td>
<td>988</td>
<td>228</td>
<td>8</td>
<td>200</td>
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<tr>
<td>Program food</td>
<td>316,988</td>
<td>82</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Program supplies</td>
<td>157,091</td>
<td>1,165</td>
<td>284</td>
<td>37</td>
<td>2,378</td>
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<tr>
<td>Insurance</td>
<td>79,127</td>
<td>17,011</td>
<td>4,235</td>
<td>784</td>
<td>6,671</td>
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<tr>
<td>Miscellaneous</td>
<td>32,665</td>
<td>7,381</td>
<td>307</td>
<td>338</td>
<td>4,881</td>
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<tr>
<td>Hospitality services</td>
<td>6,770</td>
<td>2,151</td>
<td>539</td>
<td>100</td>
<td>3,676</td>
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<tr>
<td>Depreciation and amortization</td>
<td>93,826</td>
<td>136</td>
<td>34</td>
<td>6</td>
<td>54</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>$5,180,338</td>
<td>$1,111,060</td>
<td>$289,964</td>
<td>$36,915</td>
<td>$470,760</td>
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<tr>
<td>Program Services</td>
<td>Supporting Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------</td>
<td>---------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Volunteer Services</td>
<td>Program Services</td>
<td>Total Management and General</td>
<td>Fundraising</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ID Locator Bracelets</td>
<td>$ 4,046,263</td>
<td>$ 130,745</td>
<td>$ 197,771</td>
<td>$ 328,516</td>
<td>$ 4,374,779</td>
</tr>
<tr>
<td>$ 28,762</td>
<td>$ 161,178</td>
<td>$ 4,046,263</td>
<td>$ 130,745</td>
<td>$ 197,771</td>
<td>$ 328,516</td>
</tr>
<tr>
<td>269</td>
<td>1,117</td>
<td>116,447</td>
<td>384</td>
<td>6,850</td>
<td>7,234</td>
</tr>
<tr>
<td>2,907</td>
<td>23,538</td>
<td>486,472</td>
<td>17,223</td>
<td>16,721</td>
<td>33,944</td>
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<tr>
<td>2,187</td>
<td>11,656</td>
<td>299,714</td>
<td>9,641</td>
<td>15,204</td>
<td>24,845</td>
</tr>
<tr>
<td>$ 34,125</td>
<td>$ 197,489</td>
<td>$ 4,948,896</td>
<td>$ 157,993</td>
<td>$ 236,546</td>
<td>$ 394,539</td>
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<td>1</td>
<td>35</td>
<td>1</td>
<td>1</td>
<td>2</td>
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<td>1,828</td>
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<td>222,675</td>
<td>11,819</td>
<td>20,207</td>
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<td>494</td>
<td>14,370</td>
<td>63,703</td>
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<td>39,570</td>
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<td>166</td>
<td>5,406</td>
<td>146,540</td>
<td>4,577</td>
<td>5,462</td>
<td>10,039</td>
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<tr>
<td>168</td>
<td>568</td>
<td>9,998</td>
<td>1,428</td>
<td>4,424</td>
<td>5,852</td>
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<tr>
<td>802</td>
<td>12,343</td>
<td>361,400</td>
<td>11,537</td>
<td>11,654</td>
<td>23,191</td>
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<td>1,375</td>
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<td>379,801</td>
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<td>496</td>
<td>13,005</td>
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<td>395</td>
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<td>1,432</td>
<td>9,598</td>
<td>329,106</td>
<td>10,859</td>
<td>10,890</td>
<td>21,749</td>
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<tr>
<td>508</td>
<td>3,483</td>
<td>45,867</td>
<td>1,536</td>
<td>3,806</td>
<td>5,342</td>
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<td>51</td>
<td>211</td>
<td>6,585</td>
<td>275</td>
<td>2,325</td>
<td>2,600</td>
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<td>1,050</td>
<td>4,352</td>
<td>123,329</td>
<td>4,097</td>
<td>10,188</td>
<td>14,285</td>
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<tr>
<td>94</td>
<td>106</td>
<td>3,232</td>
<td>84</td>
<td>654</td>
<td>738</td>
</tr>
<tr>
<td>-</td>
<td>27</td>
<td>317,097</td>
<td>458</td>
<td>-</td>
<td>458</td>
</tr>
<tr>
<td>1,177</td>
<td>35,959</td>
<td>198,091</td>
<td>39</td>
<td>3,539</td>
<td>3,578</td>
</tr>
<tr>
<td>739</td>
<td>3,069</td>
<td>111,636</td>
<td>11,951</td>
<td>3,431</td>
<td>15,382</td>
</tr>
<tr>
<td>2,354</td>
<td>1,288</td>
<td>49,214</td>
<td>1,951</td>
<td>9,810</td>
<td>11,761</td>
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<tr>
<td>94</td>
<td>390</td>
<td>13,720</td>
<td>3,685</td>
<td>105,413</td>
<td>109,098</td>
</tr>
<tr>
<td>6</td>
<td>25</td>
<td>94,087</td>
<td>5,259</td>
<td>28</td>
<td>5,287</td>
</tr>
<tr>
<td>$ 46,464</td>
<td>$ 302,516</td>
<td>$ 7,438,017</td>
<td>$ 235,558</td>
<td>$ 474,688</td>
<td>$ 710,246</td>
</tr>
</tbody>
</table>

See notes to consolidated financial statements.
ALZHEIMER'S COMMUNITY CARE, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended June 30, 2021 and 2020

<table>
<thead>
<tr>
<th>OPERATING ACTIVITIES</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in net assets</td>
<td>$2,992,654</td>
<td>$943,008</td>
</tr>
<tr>
<td>Adjustments to reconcile increase in net assets to net cash provided by operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>116,483</td>
<td>99,374</td>
</tr>
<tr>
<td>Provision for doubtful accounts</td>
<td>(5,043)</td>
<td>(7,391)</td>
</tr>
<tr>
<td>Realized and unrealized gains</td>
<td>(1,749,960)</td>
<td>(306,365)</td>
</tr>
<tr>
<td>PPP loan forgiveness</td>
<td>(945,722)</td>
<td>-</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>(15,274)</td>
<td>535,724</td>
</tr>
<tr>
<td>Contributions receivable</td>
<td>(172,810)</td>
<td>-</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>(10,931)</td>
<td>(11,538)</td>
</tr>
<tr>
<td>Deposits and other assets</td>
<td>750</td>
<td>(750)</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>74,029</td>
<td>(94,852)</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>290</td>
<td>18,578</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>-</td>
<td>(5,000)</td>
</tr>
<tr>
<td><strong>NET CASH PROVIDED BY OPERATING ACTIVITIES</strong></td>
<td><strong>284,466</strong></td>
<td><strong>1,170,788</strong></td>
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</table>

<table>
<thead>
<tr>
<th>INVESTING ACTIVITIES</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales and maturities of investments</td>
<td>746,688</td>
<td>507,279</td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>(635,185)</td>
<td>(1,432,663)</td>
</tr>
<tr>
<td>Purchases of property and equipment</td>
<td>(466,962)</td>
<td>(439,871)</td>
</tr>
<tr>
<td><strong>NET CASH USED IN INVESTING ACTIVITIES</strong></td>
<td><strong>(355,459)</strong></td>
<td><strong>(1,365,255)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FINANCING ACTIVITY</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borrowing on loan payable</td>
<td>-</td>
<td>945,722</td>
</tr>
<tr>
<td><strong>NET CASH PROVIDED BY FINANCING ACTIVITY</strong></td>
<td><strong>-</strong></td>
<td><strong>945,722</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>INCREASE (DECREASE) IN CASH</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>(70,993)</td>
<td>751,255</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash at beginning of year</th>
<th>1,258,312</th>
<th>507,057</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash at end of year</strong></td>
<td>$1,187,319</td>
<td>$1,258,312</td>
</tr>
</tbody>
</table>

See notes to consolidated financial statements.
NOTE A - SIGNIFICANT ACCOUNTING POLICIES

Organization: Alzheimer’s Community Care, Inc. (“ACC”) is a community-based, 501(c)(3), not-for-profit organization serving Palm Beach, Martin and St. Lucie Counties and is registered with the Florida Secretary of State in Tallahassee, Florida. ACC was incorporated in October 1996 by a group of local residents who were concerned about the growing number of people affected by Alzheimer’s disease. The strategic principle established by ACC is that “We place a safety net around patients and caregivers every day.”

ACC is free of religious, political, national or cultural affiliations. The mission of the Organization is “to promote and provide specialized, quality, and compassionate care within a community-based environment for patients and caregivers living with Alzheimer’s disease and related neurocognitive disorders.”

As of December 31, 2013, ACC received accreditation by the Joint Commission, the largest international accrediting organization for healthcare providers (hospitals, nursing homes, day care, hospice, etc.), a not-for-profit organization that is highly respected for setting certain performance standards that reflect evidence based outcomes.

The evidence based outcomes that have been tested as being successful have been incorporated within ACC’s “Model of Care” and are effective for preserving families’ quality of life, providing safety and security, and ensuring their well-being throughout the duration of the disease process. The disease can last for 2 to 20 years with an average of 10 years. During the years ended June 30, 2021 and 2020, ACC provided various services to patients and families affected by Alzheimer’s disease and related disorders. The following are the major services provided:

**Core Services**
- Family Nurse Consultant Services
- 11 Specialized Adult Day Care Centers
- Professional and Community Education
- 24/7 Alzheimer’s Crisis Line
- Case Management
- ID Locator Bracelet Program
- Caregiver Support Groups

**Wrap Around Services**
- Information and Referral
- Volunteer Services
- Quarterly Alzheimer’s Magazine
- Website, SociAlz, Alzcare.org
- Specialized Disaster Preparedness/Special Needs Shelter
- Advocacy

The Alzheimer’s Community Care Foundation, Inc. (the “Foundation”) was incorporated in the State of Florida as a not-for-profit corporation in July 2008. The Foundation was organized exclusively for the benefit of ACC, to be the custodian of financial gifts and to promote and advise philanthropic actions for the common good of ACC. ACC appoints the Board of the Foundation and accordingly, the Foundation is required by U.S. generally accepted accounting principles (GAAP) to be consolidated with ACC.
NOTE A - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Principles of Consolidation: The accompanying financial statements are consolidated to include the accounts of ACC and the Foundation (collectively, the “Organization”). All intercompany transactions and balances have been eliminated in consolidation.

Basis of Presentation: The accompanying consolidated financial statements have been prepared on the accrual basis of accounting. Net assets and revenues, gains and losses of the Organization are classified and reported based on the existence or absence of donor-imposed restrictions as follows:

- **Net Assets Without Donor Restrictions** are resources generated from operations, unrestricted donations and lapse of temporary restrictions and are not subject to donor-imposed stipulations.

- **Net Assets With Donor Restrictions** are those whose use by the Organization has been limited by donors to a specific time period, purpose or in perpetuity.

Net assets with donor restrictions are created only by donor-imposed restrictions on their use. All other net assets, including Board designated or appropriated amounts, are legally unrestricted, and are reported as part of net assets without donor restrictions.

Cash: Cash includes amounts on deposit with financial institutions in checking accounts and money market accounts. For purposes of the consolidated statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The Organization maintains its cash in high quality financial institutions which at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and does not believe its cash accounts are exposed to any significant credit risk. At June 30, 2021 and 2020, deposits with all financial institutions exceeded federal deposit insurance by approximately $620,000 and $738,000, respectively.

Investments: Investments are presented in the consolidated financial statements at fair value, using quoted market prices for publicly traded securities and other relevant information generated by market transactions. The Organization invests in equity and fixed income mutual funds and exchange traded funds (ETF’s). The Organization contracts with an investment manager to perform ongoing investment functions. All investments are held by a trust company for the benefit of the Organization, but are not insured or collateralized. Investment transactions are recorded on a trade date basis. Interest income is recorded on the accrual basis and dividend income is recorded on the ex-dividend date.

Accounts Receivable: Accounts receivable consist primarily of monthly billings for the Organization’s daycare clients residing in Palm Beach, Martin and St. Lucie Counties. Accounts receivable for daycare operations are uncollateralized. An allowance for doubtful accounts is provided for receivables when there is a question as to ultimate collectability. Receivables are written off when management has determined that the amount will not be collected. Collections on accounts previously written off are included in other support when received.

Contributions Receivable: Unconditional promises to give (pledges and contributions receivable) that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are due in more than one year are discounted to their estimated net present value using a risk free interest rate at the date of contribution. The discount is amortized to contribution income over the
NOTE A - SIGNIFICANT ACCOUNTING POLICIES (Continued)

term of the receivable, if material. Conditional promises to give are not included as support until the conditions are met.

All donor-restricted contributions are reported as an increase in net assets with donor restrictions. When a 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 as net assets released from restriction.

Property and Equipment: Property and equipment over $2,500 is capitalized and stated at cost, if purchased by the Organization, or at the fair value of the asset on the date of the gift, if received as a donation. Donated assets are reported as changes in net assets without donor restrictions. Depreciation is determined on a straight-line basis over the estimated useful life of the asset, generally 40 years for buildings and five to seven years for all other property and equipment. Amortization of leasehold improvements is included with depreciation expense.

Revenue Recognition: In 2020, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606), as amended. The revenue recognition principles of the ASU apply only to exchange transactions and not to contributions and other nonreciprocal transfers to the Organization. The Organization has three main sources of revenue, excluding contributions: program services revenue, special events, and governmental grants.

Program service revenues, including fees for patient services, are generated from patients who attend or receive daycare/respite care services. Revenues for performance obligations are satisfied at a point in time when the single performance obligation is satisfied and recognized when the services are provided, which is when the patient attends the daycare program or other services are provided. The Organization is paid based on the number of units of service or hours provided at established rates per unit of service or per hour. The Organization bills service fees monthly based on the specific services provided, resulting in contract receivables (accounts receivable) and payment is generally due within 30 days. Accounts receivable net of the allowance for doubtful accounts at June 30, 2021, 2020 and 2019 amounted to $843,944, $823,627 and $1,351,960, respectively.

The Organization also records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received at the point in time when the event takes place. Payment for special events is due on or before the event takes place. Ticket sales and sponsorship revenue received in advance of an event are recorded as deferred revenue until such time as the event takes place. Deferred revenue related to special events at June 30th is generally recognized in the subsequent fiscal year. Revenues from program services and special events are presented separately in the consolidated statements of activities.

Grant revenue is derived from federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Government grants are subject to annual renewal and periodic amendment and require the fulfillment of certain conditions as set forth in each grant agreement.
NOTE A - SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Organization recognizes contributions, including unconditional pledges as revenue in the period received and earned. Contributions are reported as without donor restrictions or with donor restrictions depending on the absence or existence of donor stipulations that limit the use of the support. The Organization reports gifts of cash and other assets as support with donor restrictions if received with donor stipulations that limit the use of the donated assets. 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 as net assets released from restrictions. Contributions with donor restrictions that are recognized and that expire within the same year are reported as support without donor restrictions.

Contributions and program service revenues are primarily from donors and patients in Palm Beach, Martin and St. Lucie Counties.

Government Grants: Amounts received or receivable from grantor agencies may be subject to audit by those agencies and any disallowed expenses, including amounts already received, might constitute a liability of the Organization for return of those funds. Management believes that the Organization has met all requirements and objectives of the grantor agencies and considers it unlikely that any material amount of funds would be returned. In addition to revenue recorded as government grants, the Organization also received State financial assistance for the Alzheimer’s Disease Initiative (ADI) Grant on a fee for service basis totaling $2,233,232 and $2,673,126 for the years ended June 30, 2021 and 2020, respectively, that was recorded as program services revenues. Total government grant revenue represented approximately 28% and 36% of total revenue and other support for the years ended June 30, 2021 and 2020, respectively. The Alzheimer’s Disease Initiative (ADI) grant represented 60% of total receivables at June 30, 2021 and 2020, respectively.

In-Kind Contributions: The Organization records various types of in-kind support including contributed goods, services and facility rent. Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. In-kind contributions are recognized at fair value when received by the Organization. Contributed goods and services for the daycare program recorded for the years ended June 30, 2021 and 2020, totaled $120,000 and $120,992, respectively. Contributed facility rent recorded for the years ended June 30, 2021 and 2020, totaled $352,697 and $391,306, respectively.

The Organization also receives skilled, contributed time, which does not meet the recognition criteria described above. The contributed time not reflected in the accompanying consolidated financial statements was valued at approximately $11,000 and $76,000 for the years ended June 30, 2021 and 2020, respectively. Concerned members of the community who occasionally sponsor fundraising events on behalf of the Organization underwrite the costs of those events. Accordingly, since no objective basis is available to measure the value of such contributions, they are not reflected in the accompanying consolidated financial statements.
NOTE A - SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Advertising Costs:** Advertising costs are charged to expense as incurred. Total expense for the years ended June 30, 2021 and 2020, was approximately $50,000 in each year.

**Compensated Absences:** The Organization combines all compensated absence categories into one program called Paid Time Off (PTO). The Organization accrues unused PTO when earned by employees. Employees of the Organization may accumulate unused PTO leave after one year of service depending on their job classification and length of service. Accumulated PTO is payable to employees with five or more years of service, upon either termination or retirement with proper notice, at the pay rate on that date. If an employee separates during the first five years of employment, the employee will not be paid any accumulated PTO.

**Functional Allocation of Expenses:** The costs of providing the various services the Organization offers have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses which can be specifically identified with a functional category are charged accordingly. Expenses which are not directly identifiable with a specific functional category require allocation on a reasonable basis that is consistently applied. Salaries are allocated on the basis of estimates of time and effort; occupancy costs are allocated on the basis of square footage; and other natural costs are allocated on the basis of management’s identification, based on observation and professional evaluation, of the direct benefit of the cost to a particular program function or supporting function.

**Income Taxes:** ACC and the Foundation are exempt from income taxes as public charities under the provisions of Internal Revenue Code Section 501(c)(3).

The Organization evaluates its uncertain tax positions in accordance with FASB ASC 740, *Income Taxes*, which states that management’s determination of the taxable status of an entity, including its status as a tax-exempt entity, is a tax position subject to the standards required for accounting for uncertainty in income taxes. Management does not believe that the Organization has any significant uncertain tax positions that would be material to the consolidated financial statements. The Organization’s tax returns for tax years prior to 2018 are no longer subject to examination by taxing authorities.

**Recent Accounting Pronouncements:** The following accounting standards updates have been issued by the FASB and may affect the Organization in future years. Management has not completed its analysis of the effects, if any, of the following accounting standards:

- **ASU 2016-02, Leases,** requires lessees to record right-of-use assets and lease liabilities arising from most operating leases on the balance sheet. The standard will be effective for the Organization for the year ending June 30, 2022 and must be adopted using a modified retrospective method.

- **ASU 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets,** requires contributions of nonfinancial assets to be shown as a separate line item in the statement of activities, as well as certain required disclosures. The standard will be effective for the Organization for the year ending June 30, 2022.
NOTE A - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reclassifications: Certain amounts in the 2020 consolidated financial statements have been reclassified to conform to the 2021 consolidated financial statement presentation.

Use of Estimates and Assumptions: Management uses estimates and assumptions in preparing consolidated financial statements in accordance with U.S. generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Subsequent Events: The Organization has evaluated subsequent events through November 29, 2021, which is the date the consolidated financial statements were available to be issued.

NOTE B - LIQUIDITY AND AVAILABILITY

The Organization manages its liquidity to operate within a prudent range of financial soundness and stability, and maintain adequate liquid assets to fund operating needs. The Organization aims to keep approximately 60 days of anticipated operating expenditures in its checking account. Cash and cash equivalents above this threshold are deposited in interest bearing money market funds or other accounts.

The following table reflects the Organization’s available assets as of June 30, 2021 and 2020, reduced by amounts that are not available to meet general operating expenditures within one year of the consolidated statement of financial position date. For purposes of analyzing resources available to meet general operating expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing program related activities as well as the conduct of services undertaken to support those activities to be general operating expenditures. In addition, the Foundation’s long-term investments may be sold if the need arises. Financial assets available to meet cash needs for general operating expenditures for the subsequent fiscal year are as follows:

<table>
<thead>
<tr>
<th>Financial assets at June 30:</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$1,187,319</td>
<td>$1,258,312</td>
</tr>
<tr>
<td>Investments, excluding long-term investments</td>
<td>9,387,402</td>
<td>7,748,945</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>843,944</td>
<td>823,627</td>
</tr>
<tr>
<td>Contributions receivable, current portion</td>
<td>130,000</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>11,548,665</td>
<td>9,830,884</td>
</tr>
<tr>
<td>Less assets with donor restricted purposes</td>
<td>(576,363)</td>
<td>(360,165)</td>
</tr>
<tr>
<td>Total financial assets available at June 30</td>
<td>$10,972,302</td>
<td>$9,470,719</td>
</tr>
</tbody>
</table>
NOTE C - CONTRIBUTIONS RECEIVABLE

Contribution receivable as of June 30, 2021 and 2020, total $172,810 and $0, respectively, and are expected to be collected as follows:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivable in less than one year</td>
<td>$130,000</td>
<td>$</td>
</tr>
<tr>
<td>Receivable in one to two years</td>
<td>$50,000</td>
<td>$</td>
</tr>
<tr>
<td>Present value discounts</td>
<td>$180,000</td>
<td>$</td>
</tr>
<tr>
<td>(Present value discounts)</td>
<td>$(7,190)</td>
<td>$</td>
</tr>
</tbody>
</table>

Contributions receivable, net $172,810 $-

The present value discount was calculated using a discount rate of 3.25%. The discount will be recognized as contribution income over future years.

NOTE D - INVESTMENTS

Investments at June 30, 2021 and 2020, are summarized as follows:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mutual funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity</td>
<td>$4,257</td>
<td>$2,945</td>
</tr>
<tr>
<td>Fixed income</td>
<td>1,377,908</td>
<td>1,129,412</td>
</tr>
<tr>
<td>Exchange traded funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic equity</td>
<td>4,025,894</td>
<td>3,369,643</td>
</tr>
<tr>
<td>International equity</td>
<td>1,713,883</td>
<td>1,410,912</td>
</tr>
<tr>
<td>Fixed income</td>
<td>2,326,103</td>
<td>1,896,676</td>
</tr>
<tr>
<td>Total investments</td>
<td>$9,448,045</td>
<td>$7,809,588</td>
</tr>
</tbody>
</table>

| Investments          | $9,387,402    | $7,748,945    |
| Long-term investments| 60,643        | 60,643        |
| Total investments    | $9,448,045    | $7,809,588    |

The Organization’s investments are exposed to various risks, such as market risk, interest rate risk, custodial credit risk, and concentration of credit risk. Due to the various risks associated with the Organization’s investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated financial statements.
NOTE D - INVESTMENTS (Continued)

Investment income for 2021 and 2020, consists of the following:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividend and interest income</td>
<td>$154,392</td>
<td>$172,308</td>
</tr>
<tr>
<td>Realized and unrealized gains</td>
<td>1,749,960</td>
<td>306,365</td>
</tr>
<tr>
<td></td>
<td>1,904,352</td>
<td>478,673</td>
</tr>
<tr>
<td>Investment fees</td>
<td>(28,699)</td>
<td>(25,760)</td>
</tr>
<tr>
<td>Net investment income</td>
<td>$1,875,653</td>
<td>$452,913</td>
</tr>
</tbody>
</table>

NOTE E - PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2021 and 2020, are summarized as follows:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$28,426</td>
<td>$28,426</td>
</tr>
<tr>
<td>Buildings</td>
<td>866,337</td>
<td>866,337</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>2,715,194</td>
<td>1,824,336</td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>463,055</td>
<td>459,156</td>
</tr>
<tr>
<td>Vehicle</td>
<td>75,121</td>
<td>75,121</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>4,148,133</td>
<td>427,795</td>
</tr>
<tr>
<td></td>
<td>(1,554,934)</td>
<td>(1,438,451)</td>
</tr>
<tr>
<td>Less accumulated depreciation and amortization</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$2,593,199</td>
<td>$2,242,720</td>
</tr>
</tbody>
</table>

Depreciation and amortization expense for 2021 and 2020 totaled $116,483 and $99,374, respectively.

NOTE F - LINE OF CREDIT

At June 30, 2021, the Organization had a $500,000 line of credit with a variable interest rate equal to the Wall Street Journal Prime Rate (3.25% at June 30, 2021). The line of credit had no outstanding balance as of June 30, 2021 and 2020. The Organization has pledged its personal property, receivables, inventory, investments, equipment, deposits, and other assets as defined in the collateral agreement. The line of credit matures on February 28, 2022. Total interest incurred and paid on all debt for 2021 and 2020 was $10,634 and $37, respectively.

NOTE G - LOAN PAYABLE

In April 2020, the Organization received loan proceeds in the amount of $945,722 under the Paycheck Protection Program (“PPP”) administered by the Small Business Administration (“SBA”) which was
NOTE G - LOAN PAYABLE (Continued)

established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”). The PPP loan was fully forgiven on May 27, 2021 under the terms of the program. The PPP loan forgiveness of $945,722 is included in revenues in the consolidated statement of activities for the year ended June 30, 2021.

NOTE H - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at June 30, 2021 and 2020:

<table>
<thead>
<tr>
<th>Purpose Restrictions</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted for patient scholarships</td>
<td>$500,002</td>
<td>$272,056</td>
</tr>
<tr>
<td>Restricted for daycare and music therapy</td>
<td>64,838</td>
<td>73,711</td>
</tr>
<tr>
<td>Restricted for locator services/bracelets</td>
<td>11,523</td>
<td>14,398</td>
</tr>
<tr>
<td><strong>Total purpose restrictions</strong></td>
<td><strong>576,363</strong></td>
<td><strong>360,165</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Perpetual Restrictions</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment in perpetuity</td>
<td>$60,643</td>
<td>$60,643</td>
</tr>
<tr>
<td><strong>Total Net Assets with Donor Restrictions</strong></td>
<td><strong>$637,006</strong></td>
<td><strong>$420,808</strong></td>
</tr>
</tbody>
</table>

Purpose restrictions on assets are imposed by the donor and specify a particular program or purpose for which the donated assets must be used. Once the assets are used for the specific program or purpose, the amounts are released from restriction and reclassified to net assets without restrictions. Endowment assets are restricted in perpetuity and only the corresponding income on those assets may be used for unrestricted purposes.

For the years ended June 30, 2021 and 2020, amounts released from restrictions totaled $204,827 and $551,287, respectively, and were the result of the accomplishment of purpose restrictions during the year.

NOTE I - ENDOWMENT

The Organization’s endowment consists of contributions that must be maintained in perpetuity. The earnings on endowment assets are used to support the Organization’s activities. Net assets with donor restrictions related to the endowment fund totaled $60,643 at June 30, 2021 and 2020.

FASB ASC 958, Not-for-Profit Entities, provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) and disclosures about an organization’s endowment funds (both donor-restricted endowment funds and board-designated endowment funds), whether or not the organization is subject to UPMIFA. The State of Florida enacted a version of UPMIFA effective July 1, 2012, known as the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) that governs the investment and management of donor-restricted endowment funds by Florida not-for-profit organizations.
Absent explicit donor stipulations, FUPMIFA generally requires prudent care in investing, managing and developing spending plans for donor-restricted endowment funds. As a result, the Organization classifies as permanently restricted net assets: (a) the original value of gifts donated to the permanent endowment; (b) the original value of subsequent gifts to the permanent endowment; (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument (if applicable) at the time the accumulation is added to the endowment; and, (d) the portion of investment earnings added to the permanent endowment to maintain its purchasing power, if any.

The Organization’s current endowment funds do not require any portion of the investment earnings to be added to the endowment and, accordingly, all investment earnings are recorded as unrestricted and used to support the ongoing operations of the Organization. The Organization considers the following factors in making a determination to expend donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Foundation and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Foundation
7. The investment policies of the Foundation

There were no changes in endowment assets for the years ended June 30, 2021 and 2020.

Funds with Deficiencies: From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor requires the Organization to retain in perpetuity. These deficiencies generally result from unfavorable market declines in the Organization’s endowment investments and are reported as reductions to net assets with donor restrictions. There were no endowment fund deficiencies at June 30, 2021 and 2020.

Investment Objective and Risk Parameters: The Organization has adopted investment policies for endowment assets that attempt to provide for moderate current income to fund programs supported by the endowment assets. Under the policy approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce market interest returns, while assuming a minimal level of investment risk. The Organization expects its endowment assets, over time, to provide an average annual rate of return of approximately 3%. Actual returns in any given year may vary from this amount.

Strategies for Achieving Investment Objectives: To satisfy its investment rate of return objectives, the Organization relies on a conservative strategy to produce investment returns from current earnings (interest and dividends) rather than market appreciation. The Organization has a passive investment policy that performs reallocations on a quarterly basis.

Spending Policy: The Organization does not have a policy for appropriating expenditures from endowment assets beyond investment income. This is consistent with the Organization’s objective to maintain the endowment assets in perpetuity and provide additional growth through new gifts.
NOTE J - FAIR VALUE OF FINANCIAL INSTRUMENTS

FASB ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value that provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- **Level 1**: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.

- **Level 2**: Inputs, other than quoted prices included within Level 1, that are observable for the assets or liabilities, either directly or indirectly.

- **Level 3**: Inputs are unobservable for the assets or liabilities.

The fair value measurement of an asset or liability within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

**Items Measured at Fair Value on a Recurring Basis**: The following methods and assumptions were used by the Organization in estimating the fair value of financial instruments that are measured at fair value on a recurring basis under FASB ASC 820:

- **Mutual funds**: Valued at the net asset value (“NAV”) of the shares held by the Organization at year end as reported on a national stock exchange.

- **Exchange traded funds**: Valued at the closing price of the funds as reported on a national stock exchange.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There were no changes in the methodologies used during the years ended June 30, 2021 and 2020.

**Fair Value of Assets and Liabilities**: The Organization’s financial assets measured at fair value on a recurring basis at June 30, 2021 and 2020, were all Level 1 assets and are summarized as follows:

<table>
<thead>
<tr>
<th></th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Investments</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mutual funds</td>
<td>$ 1,382,165</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 1,382,165</td>
</tr>
<tr>
<td>Exchange traded funds</td>
<td>8,065,880</td>
<td>$ -</td>
<td>$ -</td>
<td>8,065,880</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$ 9,448,045</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 9,448,045</td>
</tr>
</tbody>
</table>
NOTE J - FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

Fair Values at June 30, 2020

<table>
<thead>
<tr>
<th></th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mutual funds</td>
<td>$1,132,357</td>
<td>-</td>
<td>-</td>
<td>$1,132,357</td>
</tr>
<tr>
<td>Exchange traded funds</td>
<td>6,677,231</td>
<td>-</td>
<td>-</td>
<td>6,677,231</td>
</tr>
<tr>
<td>Total assets</td>
<td>$7,809,588</td>
<td>-</td>
<td>-</td>
<td>$7,809,588</td>
</tr>
</tbody>
</table>

There were no liabilities measured at fair value on a recurring basis at June 30, 2021 and 2020.

NOTE K - OPERATING LEASES

The Organization conducts its operations from several facilities that are leased with various expiration dates through June 2037 with the option of renewing through 2045 if conditional requirements are met. Certain of the facilities leased by the Organization require annual rental payments of one dollar and reimbursement for common area maintenance expenses. The difference between the estimated fair value rental of these facilities and the rent paid by the Organization is recorded as contribution revenue and in-kind rent expense. The required rental payments are recorded as rent expense. The Organization incurred $410,104 and $384,591 in rent expense and recorded $352,697 and $391,306 for in-kind rent expense for the years ended June 30, 2021 and 2020, respectively.

The Organization also leases copiers and printer equipment under an operating lease which requires 60 monthly payments of $2,775 through May 2024.

The approximate minimum future rental payments, including required common area maintenance expenses, under non-cancelable operating leases at June 30, 2021, are as follows:

<table>
<thead>
<tr>
<th>Year Ending June 30,</th>
<th>Facilities Rental</th>
<th>Equipment Rental</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>$379,300</td>
<td>$33,300</td>
<td>$412,600</td>
</tr>
<tr>
<td>2023</td>
<td>288,200</td>
<td>33,300</td>
<td>321,500</td>
</tr>
<tr>
<td>2024</td>
<td>293,500</td>
<td>30,500</td>
<td>324,000</td>
</tr>
<tr>
<td>2025</td>
<td>299,200</td>
<td>-</td>
<td>299,200</td>
</tr>
<tr>
<td>2026</td>
<td>260,000</td>
<td>-</td>
<td>260,000</td>
</tr>
<tr>
<td>Thereafter</td>
<td>1,382,600</td>
<td>-</td>
<td>1,382,600</td>
</tr>
<tr>
<td></td>
<td>$2,902,800</td>
<td>$97,100</td>
<td>$2,999,900</td>
</tr>
</tbody>
</table>

21
NOTE L - RETIREMENT PLAN

The Organization administers a 401(k) retirement plan (the “Plan”) that was adopted on January 1, 2007, and subsequently amended on July 1, 2009. Employees are eligible to participate in the Plan after completing one year of service and may contribute a maximum of 25% of their pre-tax annual compensation, as defined in the Plan, up to the maximum allowable limits established by the Internal Revenue Code. Participants who turn 50 during the plan year may make additional pre-tax contributions pursuant to the Catch-Up Elective Contributions of the Internal Revenue Service regulations. The Organization may make matching or discretionary contributions to the Plan. Currently, employees receive safe harbor matching contributions of 100% of salary deferrals up to 3% of total compensation, plus 50% matching contributions on salary deferrals from 3% to 5% of total compensation. The matching contributions by the Organization to the Plan for the years ended June 30, 2021 and 2020, were $102,806 and $100,167, respectively. No discretionary contributions were made for 2021 or 2020.

NOTE M - ECONOMIC RISKS AND UNCERTAINTY

During March 2020, a global pandemic was declared by the World Health Organization related to the rapidly growing outbreak of the coronavirus (COVID-19). The pandemic has significantly impacted economic conditions in the U.S. as federal, state and local governments reacted to the public health crisis by ordering the temporary closures of schools, public facilities and non-essential businesses and organizations, imposing travel restrictions and advising or mandating that individuals remain in their homes in order to slow the spread of the disease.

The government mandated closures and other restrictions resulted in reduced attendance at the Organization’s daycare centers, as well as the cancellation of special events. While attendance at the daycare centers is increasing and getting closer to pre-pandemic levels and special events are being scheduled for the upcoming year, due to the uncertainties involved with the pandemic, the ultimate impact on the Organization cannot be determined at present and no provisions for any implications of the pandemic have been made in the accompanying consolidated financial statements.
CONSOLIDATING INFORMATION
# ALZHEIMER'S COMMUNITY CARE, INC. AND SUBSIDIARY

## CONSOLIDATING STATEMENT OF FINANCIAL POSITION

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Alzheimer's Community Care, Inc.</th>
<th>Alzheimer's Community Care Foundation, Inc.</th>
<th>Consolidating &amp; Eliminating Entries</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td>$1,177,499</td>
<td>$9,820</td>
<td>-</td>
<td>$1,187,319</td>
</tr>
<tr>
<td>Cash</td>
<td>4,257</td>
<td>9,383,145</td>
<td>-</td>
<td>9,387,402</td>
</tr>
<tr>
<td>Investments</td>
<td>843,944</td>
<td>-</td>
<td>-</td>
<td>843,944</td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>130,000</td>
<td>-</td>
<td>-</td>
<td>130,000</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>125,089</td>
<td>-</td>
<td>-</td>
<td>125,089</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td>2,280,789</td>
<td>9,392,965</td>
<td>-</td>
<td>11,673,754</td>
</tr>
<tr>
<td><strong>PROPERTY AND EQUIPMENT, net</strong></td>
<td>2,593,199</td>
<td>-</td>
<td>-</td>
<td>2,593,199</td>
</tr>
<tr>
<td><strong>OTHER ASSETS</strong></td>
<td>42,810</td>
<td>-</td>
<td>-</td>
<td>42,810</td>
</tr>
<tr>
<td>Contributions receivable, less current portion</td>
<td>8,087</td>
<td>-</td>
<td>-</td>
<td>8,087</td>
</tr>
<tr>
<td>Long-term investments</td>
<td>-</td>
<td>60,643</td>
<td>-</td>
<td>60,643</td>
</tr>
<tr>
<td><strong>TOTAL OTHER ASSETS</strong></td>
<td>50,897</td>
<td>60,643</td>
<td>-</td>
<td>111,540</td>
</tr>
<tr>
<td><strong>LIABILITIES AND NET ASSETS</strong></td>
<td>$4,924,885</td>
<td>$9,453,608</td>
<td>-</td>
<td>$14,378,493</td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td>$129,740</td>
<td>-</td>
<td>-</td>
<td>$129,740</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>221,122</td>
<td>-</td>
<td>-</td>
<td>221,122</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>350,862</td>
<td>-</td>
<td>-</td>
<td>350,862</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td>3,997,660</td>
<td>9,392,965</td>
<td>-</td>
<td>13,390,625</td>
</tr>
<tr>
<td>Without donor restrictions</td>
<td>576,363</td>
<td>60,643</td>
<td>-</td>
<td>637,006</td>
</tr>
<tr>
<td><strong>TOTAL NET ASSETS</strong></td>
<td>4,574,023</td>
<td>9,453,608</td>
<td>-</td>
<td>14,027,631</td>
</tr>
<tr>
<td></td>
<td>$4,924,885</td>
<td>$9,453,608</td>
<td>-</td>
<td>$14,378,493</td>
</tr>
</tbody>
</table>
## ALZHEIMER'S COMMUNITY CARE, INC. AND SUBSIDIARY

### CONSOLIDATING STATEMENT OF FINANCIAL POSITION

**June 30, 2020**

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Alzheimer's Community Care, Inc.</th>
<th>Alzheimer's Community Care Foundation, Inc.</th>
<th>Consolidating &amp; Eliminating Entries</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$1,234,030</td>
<td>$24,282</td>
<td>-</td>
<td>$1,258,312</td>
</tr>
<tr>
<td>Investments</td>
<td>2,945</td>
<td>7,746,000</td>
<td>-</td>
<td>7,748,945</td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>823,627</td>
<td>-</td>
<td>-</td>
<td>823,627</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>114,158</td>
<td>-</td>
<td>-</td>
<td>114,158</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td>2,174,760</td>
<td>7,770,282</td>
<td>-</td>
<td>9,945,042</td>
</tr>
<tr>
<td><strong>PROPERTY AND EQUIPMENT, net</strong></td>
<td>2,242,720</td>
<td>-</td>
<td>-</td>
<td>2,242,720</td>
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<tr>
<td><strong>OTHER ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits and other assets</td>
<td>8,837</td>
<td>-</td>
<td>-</td>
<td>8,837</td>
</tr>
<tr>
<td>Long-term investments</td>
<td>-</td>
<td>60,643</td>
<td>-</td>
<td>60,643</td>
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<tr>
<td><strong>TOTAL OTHER ASSETS</strong></td>
<td>8,837</td>
<td>60,643</td>
<td>-</td>
<td>69,480</td>
</tr>
<tr>
<td><strong>ASSETS</strong></td>
<td>$4,426,317</td>
<td>$7,830,925</td>
<td>-</td>
<td>$12,257,242</td>
</tr>
</tbody>
</table>

| LIABILITIES AND NET ASSETS | | | | |
| **CURRENT LIABILITIES** | | | | |
| Accounts payable | $55,711 | $- | - | $55,711 |
| Accrued expenses | 220,832 | - | - | 220,832 |
| Current portion of loan payable | 469,108 | - | - | 469,108 |
| **TOTAL CURRENT LIABILITIES** | 745,651 | - | - | 745,651 |
| **LOAN PAYABLE, net of current portion** | 476,614 | - | - | 476,614 |
| **TOTAL LIABILITIES** | 1,222,265 | - | - | 1,222,265 |

| NET ASSETS | | | | |
| Without donor restrictions | 2,843,887 | 7,770,282 | - | 10,614,169 |
| With donor restrictions | 360,165 | 60,643 | - | 420,808 |
| **TOTAL NET ASSETS** | 3,204,052 | 7,830,925 | - | 11,034,977 |
| **CONSOLIDATED NET ASSETS** | $4,426,317 | $7,830,925 | - | $12,257,242 |

24
## ALZHEIMER'S COMMUNITY CARE, INC. AND SUBSIDIARY

### CONSOLIDATING STATEMENT OF ACTIVITIES

Year Ended June 30, 2021

<table>
<thead>
<tr>
<th></th>
<th>Alzheimer's Community Care, Inc.</th>
<th>Alzheimer's Community Care Foundation, Inc.</th>
<th>Consolidaing &amp; Eliminating Entries</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES AND OTHER SUPPORT</strong></td>
<td>$3,762,385</td>
<td>$ -</td>
<td>-</td>
<td>$3,762,385</td>
</tr>
<tr>
<td>Program services</td>
<td>3,299,978</td>
<td>4,183</td>
<td>(254,183)</td>
<td>3,049,978</td>
</tr>
<tr>
<td>Contributions</td>
<td>719,595</td>
<td>-</td>
<td>-</td>
<td>719,595</td>
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<tr>
<td>Government grants</td>
<td>252,957</td>
<td>-</td>
<td>-</td>
<td>252,957</td>
</tr>
<tr>
<td>United Way</td>
<td>2,969</td>
<td>1,872,684</td>
<td>-</td>
<td>1,875,653</td>
</tr>
<tr>
<td>Net investment income</td>
<td>945,722</td>
<td>-</td>
<td>-</td>
<td>945,722</td>
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<tr>
<td>Other revenue</td>
<td>31,287</td>
<td>-</td>
<td>-</td>
<td>31,287</td>
</tr>
<tr>
<td><strong>Total revenues and other support</strong></td>
<td>9,014,893</td>
<td>1,876,867</td>
<td>(254,183)</td>
<td>10,637,577</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special program</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Daycare</td>
<td>4,834,509</td>
<td>-</td>
<td>-</td>
<td>4,834,509</td>
</tr>
<tr>
<td>Patient and family services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family consultants</td>
<td>1,133,342</td>
<td>-</td>
<td>-</td>
<td>1,133,342</td>
</tr>
<tr>
<td>Case management</td>
<td>310,992</td>
<td>-</td>
<td>-</td>
<td>310,992</td>
</tr>
<tr>
<td>Crisis line</td>
<td>39,046</td>
<td>-</td>
<td>-</td>
<td>39,046</td>
</tr>
<tr>
<td>Other services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education and training</td>
<td>429,233</td>
<td>-</td>
<td>-</td>
<td>429,233</td>
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<tr>
<td>Volunteer services</td>
<td>42,234</td>
<td>-</td>
<td>-</td>
<td>42,234</td>
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<tr>
<td>ID locator bracelets</td>
<td>342,815</td>
<td>-</td>
<td>-</td>
<td>342,815</td>
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<tr>
<td><strong>Total program services</strong></td>
<td>7,132,171</td>
<td>-</td>
<td>-</td>
<td>7,132,171</td>
</tr>
<tr>
<td>Supporting services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management and general</td>
<td>215,740</td>
<td>4,184</td>
<td>-</td>
<td>219,924</td>
</tr>
<tr>
<td>Fundraising</td>
<td>292,828</td>
<td>-</td>
<td>-</td>
<td>292,828</td>
</tr>
<tr>
<td>Contribution to</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alzheimer's Community Care, Inc.</td>
<td>-</td>
<td>250,000</td>
<td>(250,000)</td>
<td>-</td>
</tr>
<tr>
<td>Alzheimer's Community Care Foundation, Inc.</td>
<td>4,183</td>
<td>-</td>
<td>(4,183)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total supporting services</strong></td>
<td>512,751</td>
<td>254,184</td>
<td>(254,183)</td>
<td>512,752</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>7,644,922</td>
<td>254,184</td>
<td>(254,183)</td>
<td>7,644,923</td>
</tr>
<tr>
<td>Increase in net assets</td>
<td>1,369,971</td>
<td>1,622,683</td>
<td>-</td>
<td>2,992,654</td>
</tr>
<tr>
<td>Net assets at beginning of year</td>
<td>3,204,052</td>
<td>7,830,925</td>
<td>-</td>
<td>11,034,977</td>
</tr>
<tr>
<td><strong>Net assets at end of year</strong></td>
<td>$4,574,023</td>
<td>$9,453,608</td>
<td>-</td>
<td>$14,027,631</td>
</tr>
</tbody>
</table>
## ALZHEIMER'S COMMUNITY CARE, INC. AND SUBSIDIARY

### CONSOLIDATING STATEMENT OF ACTIVITIES

Year Ended June 30, 2020

<table>
<thead>
<tr>
<th></th>
<th>Alzheimer's Community Care, Inc.</th>
<th>Alzheimer's Community Care Foundation, Inc.</th>
<th>Consolidating &amp; Eliminating Entries</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES AND OTHER SUPPORT</strong></td>
<td>$ 4,715,740</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 4,715,740</td>
</tr>
<tr>
<td>Program services</td>
<td>$ 2,989,359</td>
<td>$ 1,000,000</td>
<td>(1,245,623)</td>
<td>$ 2,743,736</td>
</tr>
<tr>
<td>Contributions</td>
<td>629,339</td>
<td>-</td>
<td>-</td>
<td>629,339</td>
</tr>
<tr>
<td>United Way</td>
<td>245,558</td>
<td>-</td>
<td>-</td>
<td>245,558</td>
</tr>
<tr>
<td>Special events</td>
<td>288,995</td>
<td>-</td>
<td>-</td>
<td>288,995</td>
</tr>
<tr>
<td>Net investment income</td>
<td>4,719</td>
<td>448,194</td>
<td>-</td>
<td>452,913</td>
</tr>
<tr>
<td>Other revenue</td>
<td>14,990</td>
<td>-</td>
<td>-</td>
<td>14,990</td>
</tr>
<tr>
<td>Total revenues and other support</td>
<td>8,888,700</td>
<td>1,448,194</td>
<td>(1,245,623)</td>
<td>9,091,271</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special program</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Daycare</td>
<td>5,180,338</td>
<td>-</td>
<td>-</td>
<td>5,180,338</td>
</tr>
<tr>
<td>Patient and family services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family consultants</td>
<td>1,111,060</td>
<td>-</td>
<td>-</td>
<td>1,111,060</td>
</tr>
<tr>
<td>Case management</td>
<td>289,964</td>
<td>-</td>
<td>-</td>
<td>289,964</td>
</tr>
<tr>
<td>Crisis line</td>
<td>36,915</td>
<td>-</td>
<td>-</td>
<td>36,915</td>
</tr>
<tr>
<td>Other services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education and training</td>
<td>470,760</td>
<td>-</td>
<td>-</td>
<td>470,760</td>
</tr>
<tr>
<td>Volunteer services</td>
<td>46,464</td>
<td>-</td>
<td>-</td>
<td>46,464</td>
</tr>
<tr>
<td>ID locator bracelets</td>
<td>302,516</td>
<td>-</td>
<td>-</td>
<td>302,516</td>
</tr>
<tr>
<td>Total program services</td>
<td>7,438,017</td>
<td>-</td>
<td>-</td>
<td>7,438,017</td>
</tr>
<tr>
<td>Supporting services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management and general</td>
<td>231,182</td>
<td>4,376</td>
<td>-</td>
<td>235,558</td>
</tr>
<tr>
<td>Fundraising</td>
<td>474,688</td>
<td>-</td>
<td>-</td>
<td>474,688</td>
</tr>
<tr>
<td>Contribution to Alzheimer's Community Care, Inc.</td>
<td>-</td>
<td>245,623</td>
<td>(245,623)</td>
<td>-</td>
</tr>
<tr>
<td>Alzheimer's Community Care Foundation, Inc.</td>
<td>1,000,000</td>
<td>-</td>
<td>(1,000,000)</td>
<td>-</td>
</tr>
<tr>
<td>Total supporting services</td>
<td>1,705,870</td>
<td>249,999</td>
<td>(1,245,623)</td>
<td>710,246</td>
</tr>
<tr>
<td>Total expenses</td>
<td>9,143,887</td>
<td>249,999</td>
<td>(1,245,623)</td>
<td>8,148,263</td>
</tr>
<tr>
<td>Increase (decrease) in net assets</td>
<td>(255,187)</td>
<td>1,198,195</td>
<td>-</td>
<td>943,008</td>
</tr>
<tr>
<td>Net assets at beginning of year</td>
<td>3,459,239</td>
<td>6,632,730</td>
<td>-</td>
<td>10,091,969</td>
</tr>
<tr>
<td>Net assets at end of year</td>
<td>$ 3,204,052</td>
<td>$ 7,830,925</td>
<td>-</td>
<td>$ 11,034,977</td>
</tr>
</tbody>
</table>

26
### CONSOLIDATING STATEMENT OF CASH FLOWS

**Year Ended June 30, 2021**

#### OPERATING ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>Alzheimer's Community Care, Inc.</th>
<th>Alzheimer's Community Care Foundation, Inc.</th>
<th>Consolidating &amp; Eliminating Entries</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in net assets</td>
<td>$1,369,971</td>
<td>$1,622,683</td>
<td>$ -</td>
<td>$2,992,654</td>
</tr>
</tbody>
</table>

Adjustments to reconcile increase in net assets to net cash provided by operating activities:

- Depreciation and amortization: 116,483
- Provision for doubtful accounts: -5,043
- Realized and unrealized gains: -2,729
- (1,747,231)
- PPP loan forgiveness: -945,722
- Changes in operating assets and liabilities:
  - Accounts receivable: -15,274
  - Contributions receivable: -172,810
  - Prepaid expenses: -10,931
  - Deposits and other assets: 750
  - Accounts payable: 74,029
  - Accrued expenses: 290

**NET CASH PROVIDED BY OPERATING ACTIVITIES**

409,014 (124,548) - 284,466

#### INVESTING ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>Alzheimer's Community Care, Inc.</th>
<th>Alzheimer's Community Care Foundation, Inc.</th>
<th>Consolidating &amp; Eliminating Entries</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales and maturities of investments</td>
<td>-</td>
<td>746,688</td>
<td>-</td>
<td>746,688</td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>1,417</td>
<td>(636,602)</td>
<td>-</td>
<td>(635,185)</td>
</tr>
<tr>
<td>Purchases of property and equipment</td>
<td>(466,962)</td>
<td>-</td>
<td>-</td>
<td>(466,962)</td>
</tr>
</tbody>
</table>

**NET CASH USED IN INVESTING ACTIVITIES**

465,545 110,086 - (355,459)

**DECREASE IN CASH**

56,531 (14,462) - (70,993)

**Cash at beginning of year**

1,234,030 24,282 - 1,258,312

**Cash at end of year**

1,177,499 9,820 - 1,187,319
ALZHEIMER'S COMMUNITY CARE, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENT OF CASH Flows

Year Ended June 30, 2020

<table>
<thead>
<tr>
<th></th>
<th>Alzheimer's Community Care, Inc.</th>
<th>Alzheimer's Community Care Foundation, Inc.</th>
<th>Consolidating &amp; Eliminating Entries</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase (decrease) in net assets</td>
<td>(255,187)</td>
<td>1,198,195</td>
<td></td>
<td>943,008</td>
</tr>
<tr>
<td>Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>99,374</td>
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<td>99,374</td>
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<td>Provision for doubtful accounts</td>
<td>(7,391)</td>
<td></td>
<td></td>
<td>(7,391)</td>
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<tr>
<td>Realized and unrealized gains</td>
<td>(3,242)</td>
<td>(303,123)</td>
<td></td>
<td>(306,365)</td>
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<tr>
<td>Changes in operating assets and liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>535,724</td>
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<td></td>
<td>535,724</td>
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<tr>
<td>Prepaid expenses</td>
<td>(11,538)</td>
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<td></td>
<td>(11,538)</td>
</tr>
<tr>
<td>Deposits and other assets</td>
<td>(750)</td>
<td></td>
<td></td>
<td>(750)</td>
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<tr>
<td>Accounts payable</td>
<td>(94,852)</td>
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<td></td>
<td>(94,852)</td>
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<tr>
<td>Accrued expenses</td>
<td>18,578</td>
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<td></td>
<td>18,578</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>(5,000)</td>
<td></td>
<td></td>
<td>(5,000)</td>
</tr>
<tr>
<td><strong>NET CASH PROVIDED BY OPERATING ACTIVITIES</strong></td>
<td>275,716</td>
<td>895,072</td>
<td></td>
<td>1,170,788</td>
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<tr>
<td><strong>INVESTING ACTIVITIES</strong></td>
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<td></td>
</tr>
<tr>
<td>Sales and maturities of investments</td>
<td></td>
<td>507,279</td>
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<td>507,279</td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>3,084</td>
<td>(1,435,747)</td>
<td></td>
<td>(1,432,663)</td>
</tr>
<tr>
<td>Purchases of property and equipment</td>
<td>(439,871)</td>
<td></td>
<td></td>
<td>(439,871)</td>
</tr>
<tr>
<td><strong>NET CASH USED IN INVESTING ACTIVITIES</strong></td>
<td>(436,787)</td>
<td>(928,468)</td>
<td></td>
<td>(1,365,255)</td>
</tr>
<tr>
<td><strong>FINANCING ACTIVITY</strong></td>
<td></td>
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<td></td>
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<tr>
<td>Borrowing on loan payable</td>
<td>945,722</td>
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<td>945,722</td>
</tr>
<tr>
<td><strong>NET CASH PROVIDED BY FINANCING ACTIVITY</strong></td>
<td>945,722</td>
<td></td>
<td></td>
<td>945,722</td>
</tr>
<tr>
<td><strong>INCREASE (DECREASE) IN CASH</strong></td>
<td>784,651</td>
<td>(33,396)</td>
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<td>751,255</td>
</tr>
<tr>
<td>Cash at beginning of year</td>
<td>449,379</td>
<td>57,678</td>
<td></td>
<td>507,057</td>
</tr>
<tr>
<td>Cash at end of year</td>
<td>1,234,030</td>
<td>24,282</td>
<td></td>
<td>1,258,312</td>
</tr>
</tbody>
</table>