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Paul D. Joyce, CPA
State Examiner

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May 22, 2025

Board of Directors
The John H. Boner Community Center, Inc.
d/b/a John Boner Neighborhood Centers and Subsidiaries
Marion County, Indiana

We have reviewed the audit report of The John H. Boner Community Center, Inc. d/b/a John Boner Neighborhood Centers and Subsidiaries which was opined upon by Greenwalt CPAs, Inc., Independent Public Accountants, for the period January 1, 2023 to December 31, 2023. Per the *Independent Auditors' Report* the financial statements included in the report present fairly the financial condition of The John H. Boner Community Center, Inc. d/b/a John Boner Neighborhood Centers and Subsidiaries as of December 31, 2023 and the results of its operations for the period then ended, on the basis of accounting described in the report.

We call your attention to the finding in the report on page 48. Please refer to the Schedule of Findings and Questioned Costs for further detail related to the findings. Management's Corrective Action Plan appears on page 49.

In our opinion, Greenwalt CPAs, Inc. prepared the audit report in accordance with the guidelines established by the Indiana State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

Tammy R. White

Tammy R. White, CPA
Deputy State Examiner

THE JOHN H. BONER COMMUNITY CENTER, INC.
D/B/A JOHN BONER NEIGHBORHOOD CENTERS
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

Together with Independent Auditors' Report

DECEMBER 31, 2023 AND 2022

GREENWALT CPAs

We Deliver Peace of Mind

THE JOHN H. BONER COMMUNITY CENTER, INC.
D/B/A JOHN BONER NEIGHBORHOOD CENTERS AND SUBSIDIARIES
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of The John H. Boner Community Center, Inc.
d/b/a John Boner Neighborhood Centers and Subsidiaries:

Report on the Audit of the Consolidated Financial Statements

Opinions

We have audited the accompanying consolidated financial statements of The John H. Boner Community Center, Inc. d/b/a John Boner Neighborhood Centers and Subsidiaries (collectively, the Organization), which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, based on our audits and the reports of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2023 and 2022, 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.

We did not audit the financial statements of Jefferson Apartments, LP (JA), The Union at Thomas Gregg, LP (The Union), IndyEast Homes, LP (IEH), Byrne Court, LP (Byrne, LP), and New Life Manor LP (NLM, LP), subsidiaries, which statements reflect total assets of $29,207,839 as of December 31, 2023 and total revenues of $2,009,471 for the year then ended. We did not audit the financial statements of Brookside Apartments, LP [BA] Jefferson Apartments, LP (JA), The Union at Thomas Gregg, LP (The Union), IndyEast Homes, LP (IEH), Byrne Court, LP (Byrne, LP), and New Life Manor LP (NLM, LP), subsidiaries, which statements reflect total assets of $30,219,138 at December 31, 2022, and total revenues of $2,010,755 for the year then ended. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for BA, JA, The Union, IEH, Byrne, LP, and NLM, LP, is based solely on the report of the other auditors.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America (Government Auditing Standards). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated 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 opinions.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 326 *Financial Instruments - Credit Losses* which resulted in a transition adjustment to net assets as of January 1, 2023. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 for one year after the date that the financial statements are available to be issued.

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 and Government Auditing Standards 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 consolidated financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise a 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.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Exhibits I through III, which are the responsibility of management, are also presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the consolidated financial statements and, accordingly, we do not express an opinion or provide assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 25, 2024, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Organization's internal control over financial reporting and compliance.

September 25, 2024

Greenwalt CPAs, Inc.

ASSETS

	2023	2022
CURRENT ASSETS		
Cash and cash equivalents	$ 3,382,789	$ 9,606,513
Cash - restricted	1,884,963	8,278,383
Total cash and cash equivalents	5,267,752	17,884,896
Grant reimbursements receivable	3,417,639	1,986,593
United Way receivables	1,063,200	520,799
Related party receivables	105,496	103,996
Notes receivable, current portion	2,444,508	2,481,241
Allowance for credit losses	(1,564,507)	-
Notes receivable, current portion, net	880,001	2,481,241
Other receivables	337,262	1,117,118
Prepaid expenses	259,628	178,184
Total current assets	11,330,978	24,272,827
INVESTMENTS	19,813,645	15,628,719
PROPERTY AND EQUIPMENT, NET	41,533,294	39,593,323
Total assets	$ 72,677,917	$ 79,494,869

LIABILITIES AND NET ASSETS

	2023	2022
CURRENT LIABILITIES		
Line of credit	$ 700,000	$ -
Accounts payable	2,300,835	2,402,530
Accrued payroll	316,979	300,826
Related party payables	183,707	806,526
Other payables and accrued expenses	1,089,229	665,588
Deferred revenue	90,054	36,447
Refundable advance related to grants	-	7,010,285
Current maturities of notes and mortgages payable	306,588	1,354,959
Total current liabilities	4,987,392	12,577,161
LONG-TERM LIABILITIES		
Notes and mortgages payable, net of current portion and financing fees	3,328,513	3,627,816
Total liabilities	8,315,905	16,204,977
COMMITMENTS AND CONTINGENCIES (NOTE 12)		
NET ASSETS		
Without donor restrictions - controlling interest	33,868,023	33,065,016
Minority interest in net assets without donor restrictions	16,959,963	13,525,601
Total net assets without donor restrictions	50,827,986	46,590,617
With donor restrictions - time or purpose	6,134,026	9,299,275
With donor restrictions - in perpetuity	7,400,000	7,400,000
Total net assets with donor restrictions	13,534,026	16,699,275
Total net assets	64,362,012	63,289,892
Total liabilities and net assets	$ 72,677,917	$ 79,494,869

CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023				2022			
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS - TIME OR PURPOSE	WITH DONOR RESTRICTIONS - IN PERPETUITY	TOTAL	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS - TIME OR PURPOSE	WITH DONOR RESTRICTIONS - IN PERPETUITY	TOTAL
REVENUE AND OTHER SUPPORT								
Direct Public Support								
Contributions	$ 63,925	$ -	$ -	$ 63,925	$ 115,632	$ -	$ -	$ 115,632
Special events, net of expense of $4,210 in 2023 and $2,551 in 2022	(4,210)	-	-	(4,210)	8,957	-	-	8,957
Total direct public support	59,715	-	-	59,715	124,589	-	-	124,589
Indirect Public Support								
United Way								
Support funds	475,000	-	-	475,000	387,184	-	-	387,184
Donor option	5,597	-	-	5,597	7,346	-	-	7,346
Grants and awards	8,646,372	948,050	-	9,594,422	2,163,650	5,113,883	-	7,277,533
Total indirect public support	9,126,969	948,050	-	10,075,019	2,558,180	5,113,883	-	7,672,063
Fees and grants from government and other agencies	10,929,030	-	-	10,929,030	101,912,243	-	-	101,912,243
Other Revenue								
Program service fees	194,509	-	-	194,509	142,396	-	-	142,396
Rent income and other charges	2,009,679	14,780	-	2,024,459	1,850,078	12,315	-	1,862,393
Investment income (loss)	1,697,118	-	-	1,697,118	(1,414,201)	-	-	(1,414,201)
Change in investment in subsidiaries	-	-	-	-	(36,826)	-	-	(36,826)
Other revenue	765,121	-	-	765,121	100,016	-	-	100,016
Gain on sale of business acquisition	-	-	-	-	657,543	-	-	657,543
In-kind	306,205	-	-	306,205	325,805	-	-	325,805
Total other revenue	4,972,632	14,780	-	4,987,412	1,624,811	12,315	-	1,637,126
Net assets released from restriction	4,128,079	(4,128,079)	-	-	3,787,142	(3,787,142)		-
Total revenue and other support	29,216,425	(3,165,249)	-	26,051,176	110,006,965	1,339,056	-	111,346,021
EXPENSES								
Salaries and wages	5,408,374	-	-	5,408,374	5,034,411	-	-	5,034,411
Employee benefits	658,583	-	-	658,583	559,016	-	-	559,016
Payroll taxes	529,313	-	-	529,313	492,142	-	-	492,142
Specific assistance	10,597,704	-	-	10,597,704	92,705,948	-	-	92,705,948
Professional fees	374,753	-	-	374,753	378,855	-	-	378,855
Professional fees - other service providers	5,051,007	-	-	5,051,007	6,722,937	-	-	6,722,937
Management fee	44,263	-	-	44,263	34,100	-	-	34,100
Supplies	612,076	-	-	612,076	695,120	-	-	695,120
Telephone	31,206	-	-	31,206	49,030	-	-	49,030
Postage and shipping	30,067	-	-	30,067	31,640	-	-	31,640
Occupancy - rental, utilities, insurance	819,442	-	-	819,442	782,061	-	-	782,061
Occupancy - repairs, maintenance	322,452	-	-	322,452	231,906	-	-	231,906
Other repairs and maintenance	157,315	-	-	157,315	233,921	-	-	233,921
Conferences and meetings	152,070	-	-	152,070	290,393	-	-	290,393
Printing and publications	47,909	-	-	47,909	3,002	-	-	3,002
Travel and transportation	16,864	-	-	16,864	13,314	-	-	13,314
Contributions, dues and awards	212,918	-	-	212,918	31,630	-	-	31,630
Activity fees and charges	26,886	-	-	26,886	28,552	-	-	28,552
Interest	323,099	-	-	323,099	253,721	-	-	253,721
Other	523,805	-	-	523,805	466,389	-	-	466,389
In-kind	306,205	-	-	306,205	325,805	-	-	325,805
Credit losses	73,417	-	-	73,417	86,997	-	-	86,997
Depreciation and amortization	2,271,383	-	-	2,271,383	2,116,773	-	-	2,116,773
Total expenses	28,591,111	-	-	28,591,111	111,567,663	-	-	111,567,663
CHANGE IN NET ASSETS	625,314	(3,165,249)	-	(2,539,935)	(1,560,698)	1,339,056	-	(221,642)
ASSUMPTION OF NET ASSETS	202,318	-	-	202,318	-	-	-	-
CAPITAL CONTRIBUTIONS	4,974,244	-	-	4,974,244	5,177,085	-	-	5,177,085
NET ASSETS, BEGINNING OF YEAR (RESTATED)	45,026,110	9,299,275	7,400,000	61,725,385	42,974,230	7,960,219	7,400,000	58,334,449
NET ASSETS, END OF YEAR	$ 50,827,986	$ 6,134,026	$ 7,400,000	$ 64,362,012	$ 46,590,617	$ 9,299,275	$ 7,400,000	$ 63,289,892

THE JOHN H. BONER COMMUNITY CENTER, INC.
D/B/A JOHN BONER NEIGHBORHOOD CENTERS AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	CONTROLLING INTEREST					
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS - TIME OR PURPOSE	WITH DONOR RESTRICTIONS - IN PERPETUITY	TOTAL	MINORITY INTEREST	TOTAL
NET ASSETS, JANUARY 1, 2022	$ 33,303,166	$ 7,960,219	$ 7,400,000	$ 48,663,385	$ 9,671,064	$ 58,334,449
CAPITAL CONTRIBUTIONS	-	-	-	-	5,177,085	5,177,085
CHANGE IN NET ASSETS	(238,150)	1,339,056	-	1,100,906	(1,322,548)	(221,642)
NET ASSETS, DECEMBER 31, 2022	33,065,016	9,299,275	7,400,000	49,764,291	13,525,601	63,289,892
ADOPTION OF NEW ACCOUNTING PRINCIPLE TRANSITION ADJUSTMENT	(1,564,507)	-	-	(1,564,507)	-	(1,564,507)
ASSUMPTION OF NET ASSETS	202,318	-	-	202,318	-	202,318
CAPITAL CONTRIBUTIONS	-	-	-	-	4,974,244	4,974,244
CHANGE IN NET ASSETS	2,165,196	(3,165,249)	-	(1,000,053)	(1,539,882)	(2,539,935)
NET ASSETS, DECEMBER 31, 2023	$ 33,868,023	$ 6,134,026	$ 7,400,000	$ 47,402,049	$ 16,959,963	$ 64,362,012

DECREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from organizations and others	$ 17,522,830	$ 59,499,586
Cash paid to suppliers, employees, and others	(27,523,831)	(110,277,949)
Interest paid	(234,868)	(215,587)
Investment income received	421,249	255,976
Net cash, cash equivalents, and restricted cash used in operating activities	(9,814,620)	(50,737,974)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	980,070	441,047
Purchases of investments	(3,750,171)	(1,075,403)
Acquisition of property and equipment	(4,392,385)	(3,600,925)
Payments received from notes receivable	36,733	-
Investments made in notes receivable	-	(168,141)
Net cash, cash equivalents, and restricted cash used in investing activities	(7,125,753)	(4,403,422)
CASH FLOWS FROM FINANCING ACTIVITES		
Net proceeds from line of credit	700,000	-
Principal payments on notes and mortgages payable	(2,810,792)	(4,080,880)
Proceeds from notes payable	1,459,777	1,556,234
Payment of developer fees	-	(149,900)
Payment of financing fees	-	(81,277)
Capital contributions received	4,974,244	5,177,085
Net cash, cash equivalents, and restricted cash provided by financing activities	4,323,229	2,421,262
NET DECREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(12,617,144)	(52,720,134)
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, BEGINNING OF YEAR	17,884,896	70,605,030
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, END OF YEAR	$ 5,267,752	$ 17,884,896

	2023	2022
SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Purchase of property and equipment included in accounts payable	$ 921,612	$ 590,668
Capitalized interest expense in property and equipment	$ 80,497	$ 24,957
Net assets acquired through assumption of investment in subsidiary	$ 202,318	$ -

RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH, CASH EQUIVALENTS, AND RESTRICTED CASH USED IN OPERATING ACTIVITIES

	2023	2022
CHANGE IN NET ASSETS	$ (2,539,935)	$ (221,642)
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH, CASH EQUIVALENTS, AND RESTRICTED CASH USED IN OPERATING ACTIVITIES		
Depreciation and amortization	2,271,383	2,116,773
Gain on sale assets from business acquisition	-	(657,543)
Change in credit losses	(1,564,507)	-
Unrealized (gain) loss on investments	(1,275,868)	1,670,177
Change in investment in subsidiary	-	36,826
(Increase) decrease in operating assets		
Grant reimbursements receivable	(1,431,046)	(447,656)
United Way receivables	(542,401)	492,515
Related party receivables	(1,500)	193,380
Other receivables, net	777,999	5,076,058
Prepaid expenses	(70,980)	(23,054)
Increase (decrease) in operating liabilities		
Accounts payable	662,573	714,238
Accrued payroll	16,153	64,864
Related party payables	(244,691)	476,847
Other payables and accrued expenses	1,084,878	37,913
Deferred revenue	53,607	7,860
Refundable advance related to grants	(7,010,285)	(60,275,530)
Total adjustments	(7,274,685)	(50,516,332)
NET CASH, CASH EQUIVALENTS, AND RESTRICTED CASH USED IN OPERATING ACTIVITIES	$ (9,814,620)	$ (50,737,974)

1. Summary of Significant Accounting Policies

Description of Organization

The John H. Boner Community Center, Inc. d/b/a John Boner Neighborhood Centers (the Center) serves the near Eastside of Indianapolis, Indiana. The Center serves a wide variety of neighborhood residents including school-age children, at-risk youth, adults, those in need of housing, seniors, and those who are vulnerable and have special needs.

Near Eastside Holding Corporation (Near Eastside Holding) was formed as a for-profit subsidiary of the Center in 2006 to participate in the low income housing tax credit program as required by the Internal Revenue Code. Near Eastside Holding is a wholly-owned subsidiary of the Center and is a general partner in Brookside Apartments, LP, Jefferson Apartments, LP, Indy East Homes, LP, The Union at Thomas Gregg, LP, Byrne Court, LP, and New Life Manor, LP.

New Life Manor Apartments, LLC (NLM) was added as a division of the Center in April 1980 to operate housing units. The Project refinanced its mortgage loan in May 2008 and October 2016 under Section 207 pursuant to Section 223(f) of the National Housing Act for the Elderly and Handicapped, the Project's major program. The 48 unit project offers affordable housing for the low income elderly and/or handicapped. In April 2022, the assets and liabilities of NLM were acquired by New Life Manor, LP.

Boner Properties, LLC (BP) was formed to acquire housing units in order to provide affordable housing for low-income families and individuals who are homeless or at-risk of homelessness. The Center is the sole member of this LLC.

JHBCC Properties, LLC (JHBCC) was formed to acquire property adjacent to the Center that will provide for the Center's expansion in future years. The Center is the sole member of the LLC.

Brookside Commercial, LLC (Brookside Commercial) was formed in January of 2005 to take ownership of the Center's expansion through a new market tax credit arrangement. In 2013, the Center obtained 100% ownership of Brookside Commercial.

Brookside Apartments, LP (BA) was formed in 2006 to purchase the Brookside Apartment's building. Great Lakes Holding Company was previously a 99.9% limited partner with Near Eastside Holding being the .01% general partner in the partnership. In 2023, Great Lakes Holding Company exited the partnership, and the Center became the sole 100% owner of BA, LP. BA, LP. Continues to provide 24 affordable apartments.

Jefferson Apartments, LP (JA) was formed in August of 2008. The Center was the 99.99% limited partner in the partnership with Near Eastside Holding as the .01% general partner in the partnership as of December 31, 2008. During 2009, the Center transferred its limited partner interest in Jefferson Apartments to an outside investor. Near Eastside Holding remains a general partner. JA provides 20 affordable apartment units that serve as an incubator for individuals and families aspiring to become homeowners.

Near Eastside Legacy Center, LLC d/b/a Boner Fitness & Learning Center at the Chase Legacy Building (NELC) was formed in October 2010 to take ownership of the Center's expansion through a new market tax credit arrangement. The Center owns 99.99% of NELC, with Near Eastside Holding owning the remaining .01%. NELC, which is located on the campus of Arsenal Technical High School, provides fitness programs, youth development and education and other activities related to recreation, health, nutrition, and wellness.

1. Summary of Significant Accounting Policies, Continued

Description of Organization, Continued

The Union at Thomas Gregg, LP (The Union) is a 30 unit, multi-family apartment building near the Thomas Gregg Neighborhood School. Near East Holding was the .01% general partner and Cinnaire Fund for Housing Limited Partnership 33 is the 99.99% investor limited partner.

IndyEast Homes, LP (IEH) was formed in March 2017 to develop and own a 36 unit scattered site, open occupancy units on certain real estate located in Indianapolis, Marion County, Indiana. Cinnaire Fund for Housing Limited Partnership 32 is the investor limited partner owning 99.99% of IEH, with Near Eastside Holding owning the remaining .01% as the general partner.

Marvin Gardens Construction, LLC (MG) serves as the general contractor for the Center's affordable housing projects. The Center is the sole member of the LLC.

Byrne Court, LP (Byrne, LP) was formed in 2019 for the sole purpose of acquiring, constructing, rehabilitating, developing, improving, maintaining, owning, and operating 50 units of affordable housing located at 1411 E. Market Street. Byrne LP. was organized exclusively to provide housing facilities for persons of low and moderate income, or for persons whose income does not exceed certain poverty limitations. Cinnaire Fund for Housing Limited Partnership 35 is the investor limited partner owning 99.99% of Byrne, LP, with Near Eastside Holding owning the remaining .01% as the general partner.

New Life Manor, L.P. (NLM, LP) was formed in March 2021 to acquire, construct, rehabilitate, develop, improve, maintain, own, operate, lease, dispose of, and otherwise deal with housing facilities for persons of low and moderate income in line with section 42 of the Internal Revenue Code. During 2021, the general partner was Near Eastside Holding Corp. at .01% ownership and the Center was limited partner at 99.99% ownership when formed in 2021. In April 2022, NLM, LP acquired the remaining assets and assumed the liabilities of NLM. The limited partner became ONB Community Equity, LLC in 2022.

Inspire 10th Street, LLC was formed in May 2017 for the purpose of acquiring, owning, constructing, rehabilitating and operating commercial, multifamily affordable rental housing projects and other real estate development projects in Indianapolis. Inspire is owned by the Center (40%), Near East Area Renewal, Inc. (NEAR) (30%) and Englewood Community Development Corporation (ECDC) (30%). The Center serves as the managing member.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

DESCRIPTION OF ORGANIZATION, CONTINUED

PR Mallory, LLC (PRM) was formed in February 2018 to develop properties formerly owned by the City of Indianapolis at the former P.R. Mallory and Company business site on East Washington Street. The project consists of a multi-tenant mixed-use campus, inclusive of two charter schools and light industrial operations. PRM was jointly owned by the Center (49%) and Englewood Community Development Corp. (51% and managing member), acting as the developers of the project. During 2019, the project successfully closed its financing and ownership changes and new entities resulted. PR Mallory MM, LLC was formed to function as the general partner of PR Mallory, LLC and to be responsible for the record keeping of the various entities and is jointly owned by the Center (49%) and Englewood Community Development Corp. (51% and managing member). In addition, PR Mallory Leverage Lender, LLC was formed to borrow and lend funds into each investment fund in the project structure and is jointly owned by the Center (49%) and Englewood Community Development Corp. (51% and managing member). PR Mallory MM, LLC owns 1% each of PR Mallory, LLC, PR Mallory Dino Manager, LLC and PR Mallory MT, LLC. The Center also has a 49% interest in the PR Mallory, LLC related entities Sawtooth, LLC and Phillip Rogers, LLC along with Englewood Development Corporation which owns the other 51% controlling interest.

BASIS OF ACCOUNTING AND USE OF ESTIMATES

The accompanying consolidated financial statements were prepared on the accrual basis of accounting. The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of support, revenues, and expenses during the reporting period. Actual results could differ from those estimates.

PRINCIPLES OF CONSOLIDATION

The accompanying consolidated financial statements include the accounts of the Center, Near Eastside Holding, NLM, BP, JHBCC, Brookside Commercial, BA, JA, NELC, the Union, IEH, MG, Byrne, LP, and NLM, LP (collectively referred to as the Organization) which are considered related organizations. As the general partner of JA, The Union, IEH, Byrne, LP, and NLM, LP, the Center and/or Near Eastside Holding has substantial control of these entities and thus consolidation is required. All material intercompany accounts and transactions between the consolidated organizations have been eliminated.

CASH AND CASH EQUIVALENTS

The Organization considers all liquid investments with original maturities of three months or less to be cash equivalents. There were cash equivalents of $2,393,736 and $1,999,442 at December 31, 2023 and 2022, respectively. Accounts at the banks are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. At December 31, 2023 and 2022, the Center held cash in excess of FDIC limits of approximately $3.4 million and $16.5 million, respectively.

1. Summary of Significant Accounting Policies, Continued

Grants Reimbursements Receivable

Grant revenue under cost – reimbursement arrangements is recognized as the costs are incurred. All grant reimbursements are due within 1 year.

Allowance for Credit Losses

The Organization operates in the not-for-profit industry and its notes receivable are primarily derived of loans made to other organizations for the purpose of carrying out the mission of the Organization. At each statement of financial position date, the Organization recognizes an expected allowance for credit losses. In addition, also at each reporting date, this estimate is updated to reflect any changes in credit risk since the receivable was initially recorded. This estimate is calculated on a pooled basis where similar risk characteristics exist.

The allowance estimate is derived from a review of the Organization's historical losses based on past collection experiences with the borrower. This estimate is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Organization. The Organization believes historical loss information is a reasonable starting point in which to calculate the expected allowance for credit losses as the Organization's borrowers are made up primarily of related parties and are consistent in nature. However, due to increasing property values related to the properties for which the notes receivable were used to purchase, financing option assessments, and future tax credits, the Organization is anticipating higher credit losses that have been incurred in the past. As a result, management has determined that its allowance for credit losses should be based on the assessment of fair market value of properties being purchased or improved with the notes receivable.

The Organization writes off receivables when there is information that indicates the borrower is facing significant financial difficulties and there is no possibility of recovery. If any recoveries are made from any accounts previously written off, they will be recognized in income or an offset to credit loss expense in the year of recovery, in accordance with the Organization's accounting policy election.

A provision for credit losses of $1,564,507 was recorded on notes receivable after assessment of future expected collections on certain notes receivable.

United Way Receivables

United Way receivables are unconditional promises to give from United Way of Central Indiana, Inc.

1. Summary of Significant Accounting Policies, Continued

Other Receivables

Other receivables include uncollateralized tenant obligations due under normal terms requiring rental payment on the 1st day of each month. Unpaid amounts remain in receivables while a tenant remains a building resident. Other receivables are stated at the billed amount for monthly tenant payments due and must be kept current as a condition of residency. NLM, LP, BP, Byrne, LP, BA, JA, and IEH receive subsidy amounts from the U.S. Department of Housing and Urban Development (HUD) that represent the difference between the HUD determined contract rent and the amount calculated for tenant payments. HUD subsidies are normally received on the 1st day of the month for the current month. Unpaid HUD subsidies represent amounts claimed by the project on a monthly voucher, but unpaid by HUD. Payments are allocated against specific rental amounts due as identified by tenants or, if unspecified, are applied to the earliest unpaid invoices. Other receivables were $337,262, $1,117,118 and $6,193,176 at December 31, 2023, 22 and 2021, respectively.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the statements of financial position. Investments consisted of the following at December 31:

	2023	2022
Long-term investments		
Equities	$ 6,610,813	$ 5,362,023
Corporate bonds	6,910,787	4,820,274
Cash held for future investment	1,074,234	195,992
HealthNet Peoples Health Center, LLC	1,055,535	1,090,313
Sawtooth, LLC	4,510	3,429
Phillip Rogers, LLC	45,335	44,257
PR Mallory, LLC, and its related entities	4,112,431	4,112,431
	$ 19,813,645	$ 15,628,719

The Organization's cash held for future investment is recorded at cost at December 31, 2023 and 2022.

In 2016, the Organization received a contribution of a 23% interest in HealthNet Peoples Health Center, LLC, an Indiana limited liability company. The value of the Organization's investment, based on the assigned interest, was $1,300,000 at contribution date. This investment is adjusted annually based on the Organization's share of income or loss and recorded based on the equity method. Investments in PR Mallory, LLC and its related entities, Sawtooth, LLC and Phillip Rogers, LLC are also equity-method investments. These investments are adjusted annually based on the Organization's share of income or loss.

1. Summary of Significant Accounting Policies, Continued

Property and Equipment

Expenditures for property and equipment and items which substantially increase the useful lives of existing assets and a cost, if purchased, or fair value, if donated, over $5,000 or more are capitalized. Expenditures for normal maintenance and repairs are expensed as incurred.

The Organization provides for depreciation on the straight-line method at rates designed to depreciate the cost of assets over the estimated useful lives of the depreciable assets of 3 to 40 years.

Refundable Advance Related to Grants

The Organization is the recipient of grants that require expenditure for specified activities before the Organization is reimbursed by the grantor for the costs incurred for eligible purposes. Documentation showing actual costs expended is included when submitting a monthly or quarterly report for reimbursement. Certain grantors pay in advance of incurring the specified costs; in those cases, the amount received in excess of amounts spent on reimbursable costs is reported as a refundable advance.

Net Assets

The Organization maintains the following classifications of net assets:

Net Assets without Donor Restrictions

These include net assets of the Organization which may be used at the discretion of management and Board of Directors to support the Organization's purposes and operations. At December 31, 2023 and 2022, the Board has designated net assets of $1,890,710 and $1,705,976, respectively, to cover general operating expenses.

Net Assets with Donor Restrictions

These include net assets of the Organization related to gifts and grants with explicit donor-imposed restrictions that have not been met as to specified purpose, or to later periods of time or after specified dates. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets are reclassified from net assets with donor restrictions through net assets released from restrictions.

Net assets were restricted for the following purposes at December 31:

	2023	2022
NELC maintenance fund	$ 713,428	$ 713,428
Replacement reserve	101,552	89,251
Sustainability and infrastructure	-	318,750
Arts and culture initiatives	-	531,407
Education initiatives	438,600	-
Rental assistance	324,796	2,104,809
Future periods	3,841,100	4,500,000
Other programs	714,550	1,041,630
	$ 6,134,026	$ 9,299,275

1. Summary of Significant Accounting Policies, Continued

Net Assets, Continued

Net Assets with Donor Restrictions, Continued

Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. These are resources whose use by the Organization is limited by donor-imposed restrictions that neither expire by being used in accordance with a donor's restriction nor by the passage of time. Net assets restricted in perpetuity were $7,400,000 at December 31, 2023 and 2022. See Note 10.

Contributions and Pledges

Contributions are recognized when the donor makes an unconditional promise to give to the Organization and are recorded at their fair values as revenues and assets in the period the promise was received. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions through net assets released from restrictions in the statements of activities.

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

The Organization reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Government Grants

Support funded by grants is recognized as the Organization performs the contracted services under grant agreements. Grant revenue is recognized as earned as the expenses are incurred. Grant expenditures are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required. At December 31, 2023 and 2022, the Organization had cost reimbursement grants of $10,118,162 and $8,464,212, respectively, that had not been recognized because qualifying expenditures have not yet been incurred.

In-Kind Contributions

Contributions of services are recognized as revenue at their estimated fair value when the services received create or enhance nonfinancial assets or require specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated.

In addition to receiving contributions of service, the Organization receives donated goods. It is the policy of the Organization to record the estimated fair market value of certain in-kind donations as an expense in its statements of activities or as assets in the statements of financial position and similarly increase contributions by a like amount. These amounts have been treated as non-cash transactions and excluded from the accompanying statements of cash flows. All donated services and goods were utilized by the Organization's program services.

1. Summary of Significant Accounting Policies, Continued

In-Kind Contributions, Continued

Donated goods are valued at comparable prices for similar items. Donated services are valued at the standard hourly rates charged for those services. There were no donor-imposed restrictions associated with the donated services and goods.

For the years ended December 31, the in-kind contributions are as follows:

	2023	2022
Meals and food	$ 105,141	$ 128,465
Supplies and equipment	72,623	102,311
Professional services	128,441	95,029
	$ 306,205	$ 325,805

Expense Allocation

Salaries and related expenses are charged to program services, management and general, and fundraising based upon estimated time spent by personnel on the related areas. Direct expenses are charged to the categories to which the expenses relate. Occupancy expenses are allocated based upon actual utilization of space.

The Organization had the following expense allocation for the years ended December 31:

	2023			
	Program Services	Management and General	Fundraising	Total
Personnel costs	$ 6,028,991	$ 547,490	$ 19,789	$ 6,596,270
Specific assistance	10,597,704	-	-	10,597,704
Professional services	4,959,145	450,338	16,277	5,425,760
Occupancy	1,813,561	170,641	-	1,984,202
Depreciation and amortization	2,076,044	195,339	-	2,271,383
Other operational	1,436,492	269,557	9,743	1,715,792
	$ 26,911,937	$ 1,633,365	$ 45,809	$ 28,591,111

1. Summary of Significant Accounting Policies, Continued

Expense Allocation, Continued

	2022			
	Program Services	Management and General	Fundraising	Total
Personnel costs	$ 5,150,592	$ 893,899	$ 41,078	$ 6,085,569
Specific assistance	92,705,948	-	-	92,705,948
Professional services	6,733,069	365,269	3,454	7,101,792
Occupancy	1,254,841	768,837	-	2,023,678
Depreciation and amortization	1,938,863	177,910	-	2,116,773
Other operational	1,324,737	110,544	98,622	1,533,903
	$ 109,108,050	$ 2,316,459	$ 143,154	$ 111,567,663

New Accounting Pronouncement

In June 2016, the FASB issued guidance Accounting Standards Codification (ASC) 326, *Financial Instruments – Credit Losses*, which significantly changed how entities measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in FASB ASC 326 were notes receivable.

The Organization adopted the standard effective January 1, 2023, utilizing a cumulative-effect adjustment for all financial assets measured at amortized cost. As a result of the adoption, the Organization recorded a transition adjustment, which included the recording of an allowance for credit losses for notes receivable and a reduction in net assets at January 1, 2023 of $1,564,507.

Subsequent Events

Subsequent events have been considered through September 25, 2024, which was the date the financial statements were available to be issued.

2. Tax Status

The Center is a not-for-profit corporation, exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. Accordingly, no provision is made for federal or state income taxes or income tax effects. The Center is not considered a private foundation as defined in Section 509(a) of the Internal Revenue Code.

MG, BP, Brookside Commercial, NELC and JHBCC are single-member LLCs of the Center and as such are treated as disregarded entities for income tax purposes.

2. Tax Status, Continued

BA is a partnership. In lieu of corporation income taxes, the partners report their proportionate share of the partnerships' income.

JA, IEH, The Union, Byrne, LP, and NLM, LP are partnerships. In lieu of corporation income taxes, the partners report their proportionate share of the partnerships' income.

3. Available Resources and Liquidity

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. A significant portion of the Organization's restricted funding is related to development, housing, and the real estate activities of the Organization. In those cases, liquidity is managed utilizing various sources of capital to meet the financial needs of restricted activities. This includes utilization of short-term predevelopment and construction loans provided by third parties and could include utilization of the Organization's self-managed IndyEast Economic Loan fund valued at $512,353.

To help manage unanticipated liquidity needs, the Organization has a committed line of credit in the amount of $2,000,000 which it can draw upon. See Note 8.

The Organization receives significant funding with donor restrictions to be used in accordance with the associated purpose restrictions. The Organization has an endowment fund with a value of $8,511,737 and $7,319,257 as of December 31, 2023 and 2022, respectively, with perpetual restrictions on the corpus. Although the Organization does not intend to spend from the principal of the endowment fund, earnings from the endowment fund could be made available for general and/or designated expenditures as part of its annual budget approval and appropriation process. However, should the baseline value of the endowment be equal to or less than $7.4 million, the maximum allocable basis shall be 2% of the endowment. See Note 10.

3. Available Resources and Liquidity, Continued

The table below presents financial assets available for general expenditures within one year at December 31:

	2023	2022
Financial assets at year-end		
Cash and cash equivalents	$ 3,382,789	$ 9,606,513
Cash – restricted	1,884,963	8,278,383
Grant reimbursements receivable	3,417,639	1,986,593
United Way receivables	1,063,200	520,799
Related party receivables	105,496	103,996
Notes receivables, net	880,001	2,481,241
Other receivables	337,262	1,117,118
Investments	19,813,645	15,628,719
Total financial assets available	30,884,995	39,723,362
Financial assets not available		
Investments in closely-held companies	(5,217,811)	(5,250,430)
Board designated net assets	(1,890,710)	(1,705,976)
Cash – restricted	(1,884,963)	(8,278,383)
Net assets with donor imposed restrictions – time and purpose	(6,134,026)	(9,299,275)
Net assets with donor imposed restrictions – in perpetuity	(7,400,000)	(7,400,000)
Total financial assets not available for use	(22,527,510)	(31,934,064)
Financial assets available to meet general expenditures within one year	$ 8,357,485	$ 7,789,298

4. Cash - Restricted

BP, BA, JA, TU, IEH, Byrne, LP, and NLM, LP maintain cash balances that are to be used for future capital projects and other purposes. BA, and JA are required to set aside amounts for the replacement of property and other expenditures. For Byrne, LP, and NLM, LP, HUD restricted deposits are held in separate accounts and generally are not available for operating purposes. Accordingly, these amounts have been recorded as restricted on the statement of financial position. Cash restricted for replacement reserve and other purposes was $1,792,144 and $1,237,324 at December 31, 2023 and 2022, respectively.

The Center maintains a cash balance that is to be used for the Super Bowl Legacy project. The restricted deposits are held in a separate account and are not available for general operating purposes. This amount has been recorded as restricted cash on the statement of financial position. Cash restricted for the Super Bowl Legacy project was $27,737 at December 31, 2022.

4. Cash – Restricted, Continued

The Center has cash restricted for the Assets for Independence program of $92,819 and $3,037 at December 31, 2023 and 2022.

The Center had cash restricted to be spent for rental assistance of $7,010,285 at December 31, 2022.

5. Fair Value of Financial Instruments

The Center has adopted Accounting Standards for Fair Value Measurements, which define fair value as the price that would be received for an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date. These standards also establish a three-level fair value hierarchy for disclosure that prioritizes valuations based on whether the significant inputs used to estimate fair value are observable, giving highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and lowest priority to valuations primarily based on unobservable inputs (level 3 measurements).

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. Assets measured at fair value on a recurring basis at December 31, are as follows:

2023		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity securities	$ 6,610,813	$ 6,610,813	$ -	$ -
Corporate bonds	6,910,787	6,910,787	-	-
Total investments	$ 13,521,600	$ 13,521,600	$ -	$ -

2022		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity securities	$ 5,362,023	$ 5,362,023	$ -	$ -
Corporate bonds	4,820,274	4,820,274	-	-
Total investments	$ 10,182,297	$ 10,182,297	$ -	$ -

5. Fair Value of Financial Instruments, Continued

Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

Investments are recorded at fair value in the consolidated statements of financial position. Unrealized gains and losses represent the change in fair value of investments during the period and are recorded in the statement of activities. The cost of corporate bonds and equities was $8,937,107 and $8,993,999 at December 31, 2023 and 2022, respectively.

6. Notes Receivable

a. In December 2017, the Center entered into a loan agreement with Inspire. The loan funds, including interest, advanced on an as needed basis to Inspire up to $400,000 at an annual interest rate of 1%. In 2019, the Center extended another $100,000 to Inspire under this same loan.

b. During December 2020, the Center entered into a loan agreement with Inspire. The loan agreement allows for borrowings up to $2,000,000. The Center has waived interest and origination fees for this loan. The loan proceeds must be used for the development and rehabilitation of certain premises in the 10th Street Art + Design District. In 2022, the loan maximum was increased to $3,000,000.

The balance on these loans was $2,444,508 and $2,481,241 at December 31, 2023 and 2022, respectively. The loan balances and any interest are due in December 2024.

During 2023, the Organization assessed the collectability of the existing loans and determined a provision for credit losses of $1,564,507 was necessary. See Note 1.

Imputed interest of $149,405 was recorded on the below-market notes receivable at December 31, 2023. There was no imputed interest recorded at December 31, 2022.

7. Property and Equipment

The Organization's property and equipment consists of the following at December 31:

	2023	2022
Buildings	$ 46,609,293	$ 41,267,431
Leasehold improvements	1,813,463	454,804
Furnishings and office equipment	7,105,549	6,769,680
Autos and trucks	357,916	339,801
	55,886,221	48,831,716
Accumulated depreciation	(19,194,178)	(16,960,026)
	36,692,043	31,871,690
Land and land improvements	4,131,904	4,074,536
Construction in progress	709,347	3,647,097
	$ 41,533,294	$ 39,593,323

7. Property and Equipment, Continued

At December 31, 2023 and 2022, interest of $83,828 and $24,957, respectively, was capitalized as a part of property and equipment when constructed using loan proceeds. At December 31, 2023 and 2022, construction in process relates to the multiple property renovations under The Union, Byrne, LP, and NLM, LP and technology projects in process at the Center. At December 31, 2023, the Organization had outstanding commitments of $581,314 related to CIP projects.

8. Line of Credit

The Center has a revolving line of credit with a bank for $2,000,000, which can be cancelled and collected by the financial institution with a 90-day notice. Interest payable on the line of credit is calculated monthly at the Prime Index rate plus 0.05% (8.55% and 7.55% at December 31, 2023 and 2022). Borrowings under this agreement are collateralized by the Center's assets. The balance outstanding at December 31, 2023 was $700,000. There was no balance outstanding at December 31, 2022.

9. Notes and Mortgages Payable

Notes and mortgages payable consist of the following at December 31:

	2023	2022
a. BA has a mortgage from IFF in the amount of $315,000. The mortgage is payable in monthly installments of $1,946 including principal and interest of 5.375% through September 2024. The loan is secured by a mortgage on certain real estate and is subject to a prepayment penalty through March 2024.	$ 192,573	$ 205,208
b. The Union obtained a construction loan in October 2019 in the amount of $500,000 which bears interest at 3.00% per annum and matures December 2035. The loan requires annual payments of principal and interest of $25,510.	467,560	478,708
c. IEH obtained a loan in the maximum amount of $330,000 which bears interest at 5.50% per annum and will be due in November 2034. Beginning November 2019, the loan requires quarterly payments of principal and interest. The loan is secured by certain real estate and assignment of rents and leases.	264,198	282,491
d. IEH has a construction loan that converted in November 2019. The loan bears interest at 3.00% per annum and is due November 2034. Beginning December 2020, the loan requires annual payments of principal and interest equal to the lesser of $10,371 or 100% of net cash flow as defined in the Partnership Agreement.	185,434	190,087

9. Notes and Mortgages Payable, Continued

	2023	2022
e. Byrne, LP has a mortgage loan with an original amount of $1,422,836. The loan is insured by HUD under Section 207 pursuant to Section 223(f) of the National Housing Act, as amended. The mortgage loan, due May 2043, is payable in monthly installments of $7,368, which includes principal, and interest of 3.08% per annum. The loan includes a prepayment premium through September 2026.	1,290,973	1,338,831
f. NLM, LP has a mortgage that is payable in monthly installments of $5,808 including principal and interest of 2.90% through November 2051. The mortgage included a prepayment premium through November 2026. The mortgage also requires monthly deposits to a reserve and replacement fund and is secured by real estate, improvements to real estate, and personal property.	1,332,795	1,363,362
g. NLM, LP obtained a construction loan in April 2022 in the maximum amount of $3,537,342 which bore interest at the prime rate with a minimum of 3.25% (7.5% at December 31, 2022) and matured in October 2023. The loan was secured by a mortgage on certain real estate.	-	1,230,464
	3,733,533	5,089,151
Less: current maturities	(306,588)	(1,354,959)
Less: unamortized financing fees	(98,432)	(106,376)
	$ 3,328,513	$ 3,627,816

Aggregate maturities of notes payable are as follows for the years ending December 31:

2024	$ 308,588
2025	119,732
2026	123,882
2027	128,171
2028	132,614
Thereafter	2,920,546
	$ 3,733,533

Financing fees expended in accordance with promissory notes are recorded at cost and amortized over the lives of the promissory notes.

10. Net Assets With Donor Restrictions – Perpetual Endowment Funds

The Organization's endowment consists of funds held in perpetuity established to support a variety of charitable purposes. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Application of UPMIFA

Management has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the perpetual endowment funds absent explicit donor stipulations to the contrary. As a result of the interpretation, the Organization classifies as net assets held in perpetuity (a) the original value of gifts donated to the perpetual endowment funds, (b) the original value of subsequent gifts to the perpetual endowment funds, and (c) accumulation to the perpetual made in accordance with the direction of the applicable donor gift instrument at the time the accumulations are added to the fund. At the present time, the Organization has one perpetual endowment fund.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate perpetual endowment funds:

1) The duration and preservation of the perpetual endowment fund
2) The purposes of the Organization and the perpetual 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 Organization
7) The investment policies of the Organization

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for assets held for the perpetual endowment fund that attempt to provide a predictable stream of funding while seeking to maintain the purchasing power of the perpetual endowment fund assets. Under this policy, the perpetual endowment fund would seek to achieve a total return (income and appreciation) of 7.25% over a full market cycle (8-10 years). The Organization will evaluate its investments by comparing actual investment performance to various applicable benchmarks. The Organization expects its perpetual endowment fund investments to meet or exceed these benchmarks over time. Actual returns in any given year may vary from these benchmarks.

10. Net Assets With Donor Restrictions – Perpetual Endowment Funds, Continued

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Organization will not allow the perpetual endowment fund to drop below the Historic Dollar Value of the original permanent gift. Any perpetual endowment fund deficiencies will be made whole before any further spending can occur in accordance with the Organization's spending policy. To the extent that there are gains above the original value of the fund dollar amount and timing of any distribution of funds will be at the discretion of the Board of Directors and management.

Funds withdrawn from the perpetual endowment fund shall be for purposes set forth by the Board of Directors and shall consider the following factors: (a) opportunities to use funds to leverage other funding, private or public, in support of the Organization's activities; (b) investments in technology, capital, human resources or other expenditures which support the Organization's activities; (c) to support sufficient management capacity, personnel and infrastructure needed for the effective operations and long term growth of the Center; (d) covering short-term deficits in direct service programs, as long as funds expended are serving as a temporary source of funding and an acceptable plan is in place to bridge to other resources or funding source; and (e) investments in community development efforts and partners organizations that support long term goals of the Center and the neighborhood.

Expenditures of Funds

All decisions relative to the expenditure of institutional funds must assess the uses, benefits, purposes and duration for which the fund was established, and if relevant, consider the factors:

1) The duration and preservation of the institutional fund;
2) Purposes of the Center and the fund;
3) General economic conditions;
4) Possible effect of inflation or deflation;
5) Expected total return from income and appreciation of investments;
6) Other organizational resources;
7) All applicable investment policies; and
8) Where appropriate, alternatives to spending from the institutional fund and the possible effects of those alternatives

For each decision to appropriate institutional funds for expenditure, an appropriate contemporaneous record should be kept and maintained describing the nature and extent of the consideration that the appropriate body gave to each of the stipulated factors.

10. Net Assets With Donor Restrictions – Perpetual Endowment Funds, Continued

Expenditures of Funds

From time to time, certain donor-restricted endowment funds may have fair values that are less than the amount required to be maintained by donors or by law (underwater endowments). The Organization has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. At December 31, 2022, funds with original gift values of $7,400,000, fair values of $7,319,257, and deficiencies of $80,743 were reported in net assets with donor restrictions. During the year, the Organization did not appropriate any expenditure from underwater endowments.

The change in endowment net assets is as follows for the years ended December 31:

2023	Without Donor Restrictions	With Donor Restrictions – Held in Perpetuity	Total
Perpetual Endowment net assets, beginning of year	$ (80,743)	$ 7,400,000	$ 7,319,257
Investments gains, net	1,192,480	-	1,192,480
Endowment net assets, end of year	$ 1,111,737	$ 7,400,000	$ 8,511,737

2022	Without Donor Restrictions	With Donor Restrictions – Held in Perpetuity	Total
Perpetual Endowment net assets, beginning of year	$ 1,123,783	$ 7,400,000	$ 8,523,783
Contributions	110,056	-	110,056
Investments losses, net	(1,314,582)	-	(1,314,582)
Endowment net assets, end of year	$ (80,743)	$ 7,400,000	$ 7,319,257

11. Related Party Transactions

The Center had a $88,950 and $28,300 receivable from the Near Eastside Innovation School Corporation at December 31, 2023 and 2022, respectively. The Center had a $2,200 payable to the Near Eastside Innovation School Corporation at December 31, 2023. There was no payable to the Near Eastside Innovation School Corporation at December 31, 2022. The CEO and CFO of the Center are board members of this organization. A key employee of the Near East Side Innovation School is also a JBNC board member.

At December 31, 2023 and 2022, the Center had a $14,146 and $70,896 receivable due from an organization of which the Center owns 40%, respectively. At December 31, 2023 and 2022, the Center had a $2,400 and $4,800 receivable due from an organization of which the Center owns 23%, respectively.

At December 31, 2023 and 2022, the Center had a $13,688 and $164,962, respectively, payable to an organization of which the Center owns 40%.

11. Related Party Transactions, Continued

BMO Harris Bank, investor limited partner, is entitled to receive an asset management fee from JA, per the partnership agreement, in the amount of $2,500 per year. The cumulative fee is payable out of available cash flow, as defined in the partnership agreement. Fees of $2,500 were earned in the years ended 2023 and 2022.

IEH pays an annual investor services fee to its Investor Limited Partner. During 2023 and 2022, a fee of $3,038 and $3,033 was earned and $8,605 and $5,567 remains payable at December 31, 2023 and 2022, respectively.

Cinnaire investor limited partner, is entitled to receive an asset management fee from Byrne, LP, per the partnership agreement, in the amount of $5,000 per year. The cumulative fee is payable out of available cash flow, as defined in the partnership agreement. Total expense for the years ended December 31, 2023 and 2022 was $5,305 and $5,150, respectively. The outstanding balance at December 31, 2023 and 2022 was $15,455 and $10,150, respectively.

The Union shall pay an annual investor service fee to its Investor Limited Partner commencing in 2021 and increasing 3% per year thereafter. During the year ended December 31, 2023, investor services fees of $3,183 were earned and $6,273 remains payable. During the year ended December 31, 2022, investor services fees of $3,090 were earned and at December 31, 2022 remained payable.

In December 2019, Byrne, LP entered into a consulting agreement with Milestone Ventures, LLC totaling $655,500 for the development of Byrne, L.P. housing project. During 2022, total fees of $655,500 were earned and capitalized into property and equipment. During the years ended December 31, 2023 and 2022, $401,460 and $66,840, respectively, of the consulting fee was paid. During 2022, $655,000 in service fees was earned and $401,460 in fees remained payable as of December 31, 2022. All fees were paid during 2023 and no fees were payable at December 31, 2023. A key member of management of Milestone Ventures, LLC is on the Board of Directors of the Center.

ONB Community Equity, LLC, investor limited partner of NLM, LP, is entitled to receive an annual cumulative Asset Management Fee. This fee is payable out of the Asset Management Reserve, which was funded from the second capital contribution during 2023. Accrued fees at December 31, 2023 were $4,450. There were no fees accrued at December 31, 2022.

In 2022, NLM, LP entered into a consulting agreement with Milestone Ventures, LLC for the development of the NLM, LP housing project. This agreement provides for a total consulting fee of $632,400. As of December 31, 2023, $632,040 of this fee has been earned and capitalized into property and equipment. During 2023, $340,994 of the consulting fee was paid. The amount due at December 31, 2023 was $133,036. As of December 31, 2022, $379,224 of this fee has been earned and capitalized into property and equipment. During 2022, $158,010 of the consulting fee was paid. The amount due at December 31, 2022 was $221,214. A key member of management of Milestone Ventures, LLC is on the Board of Directors of the Center.

12. Contingencies and Commitments

Near Eastside Holding has executed a guaranty agreement for BA and JA under which they guarantee to advance funds to the extent needed to make operating deficit contributions. In addition, they guarantee to advance funds to the extent needed to make all payments to the operating and replacement reserves, to return limited partner contributions due to tax credit shortfalls, to purchase the limited partner's interest in the Partnerships, and to make a capital contribution sufficient to satisfy any remaining unpaid portion of the development fee in the event the entire development fee has not been paid within 15 years of completion of the project. No funds were advanced in 2023 or 2022.

In accordance with the Partnership Agreement, operating deficits incurred prior to 15 years from and after the date The Union achieves Underwritten Operations which are not paid from the Operating Reserves, will be funded by funds loaned from the General Partner to The Union. The General Partner's obligation shall not exceed six months' operating expenses and required replacement reserves or $92,637. The amounts advanced are to be treated as unsecured, non-interest-bearing loans. No funds were advanced in 2023 or 2022.

Per the guaranty agreement, Near Eastside Holding and the Center will advance funds to The Union to the extent needed to make operating deficit contributions. In addition, it guarantees to advance funds to the extent needed to make all payments to the operating and replacement reserves, to return Investor Limited Partner contributions due to tax credit shortfalls, to purchase the Investor Limited Partner's interest in the Partnership if the Investor Limited Partner executes its put right, and to make the payment by the General Partner of a capital contribution sufficient to satisfy any remaining unpaid portion of the development fee that has not been paid. No funds were advanced in 2023 or 2022.

The Union has qualified for and been allocated low-income housing tax credits under Section 42 of the Internal Revenue Code ("Section 42") which regulates the use of the Project as to occupant eligibility and gross unit rent, among other requirements. Tenants must meet certain income age qualifications to live in the apartments and rents paid by the tenants cannot exceed limits established by Section 42. In addition, the land is subject to an extended use agreement even if The Union disposes of the Project.

Near Eastside Holding, as the general partner of IEH, agrees that if at any time prior to the expiration of 15 years from and after the date IEH achieves Underwritten Operation Operating Deficits are not fully paid from the Partnership Operating Reserve, Near Eastside Holding shall loan to IEH the funds required to pay such Operating Deficits, provided, however, that such obligation to fund Operating Deficits not exceed, in the aggregate, the sum of $128,000, provided that the Operating Reserve was fully funded from the Investor Limited Partners' Fourth Capital Contribution. Any operating deficits occurring between the date of Underwritten Operations and final funding of the Operating Reserve which have not been paid from the Operating Reserve will be funded by the Near Eastside Holding and will be reimbursed upon final funding of the Operating Reserve. Any payment made pursuant to the Operating Deficit Guarantee will be considered operating deficit loans and will bear interest at the Prime Rate. The Operating Deficit Guaranty will be released 5 years from the date IEH achieves Underwritten Operations and 92% Qualified Occupancy, as defined in the Amended and Restated Partnership Agreement. Underwritten operations were achieved on April 30, 2020.

12. Contingencies and Commitments, Continued

IEH has also qualified for low-income housing tax credits pursuant to IRC Section 42, which regulates the use of the property as to occupant eligibility and unit gross rent, among other requirements. The property must meet the provision of these regulations during each of the 15 consecutive years in order to continue to qualify to receive the tax credits. In addition, IEH has executed a Land Use Restriction Agreement which requires the utilization of the property pursuant to IRC Section 42 for a minimum of 30 years (unless IEH is able to elect out after 15 years), even if IEH disposes of the property. Failure to comply with occupant eligibility and/or unit gross rent, or to correct noncompliance within a specified time period, could result in monetary penalties. In addition, IEH's failure to maintain compliance with occupant eligibility and/or unit gross rent, or to correct noncompliance within a specified time period could result in recapture of previously taken tax credits plus interest.

In accordance with the Partnership Agreements of Byrne, LP and NLM, LP, operating deficits incurred prior to 15 years from and after the date the partnerships achieve Underwritten Operations which are not paid from the Operating Reserves, will be funded by funds loaned from the Near Eastside Holding, as the general partner, to the partnerships. Near Eastside Holding's obligation shall not exceed six months' operating expenses, replacement reserves and hard debt (estimated to be $200,894 for Byrne, LP and $95,088 for NLM, LP). The amounts advanced are to be treated as unsecured, non-interest-bearing loans. No funds were advanced in 2023 or 2022.

Byrne, LP and NLM, LP receive rental assistance payments in the form of cash for all apartment units under a Section 8 Housing Assistance Payment ("HAP") contract, which is scheduled to expire in October 2036. Renewal of this contract is currently subject to the provisions of the Multifamily Assisted Housing Reform and Affordability Act of 1997 ("MAHRA"), regulations issued by HUD, and certain provisions of the annual HUD Fiscal Year Appropriations Acts as enacted by the U. S. Congress. Provided the Partnership's contract rent is below or at comparable market rents, HUD will renew contracts at current rents with increases in some circumstances, but in no case above comparable market rents. Management is of the opinion that the Partnership's current contract will be renewed upon expiration.

13. Federal, State, and Local Grant Awards

In accordance with guidelines established by the Indiana State Board of Accounts, this federal, state, and local grant information was included to aid in the verification of Indiana financial assistance on the Entity Annual Report (E-1).

Program Name	Grantor Name	Assistance Listing Number	Revenue	Expense	Funding Type
Learning Loss Grant	State Department of Education	N/A	$ 451,753	$ 451,753	State or local government
EDGE Parent & Guardian Program	Drug Free Marion County, Inc.	N/A	25,000	25,000	State or local government
Expansion of John Boner Center	The Health & Hospital Corporation of Marion County, Indiana	N/A	337,931	337,931	State or local government

13. FEDERAL, STATE, AND LOCAL GRANT AWARDS, CONTINUED

Support of COVID-19 Relief Efforts	City of Indianapolis, Department of Metropolitan Development	N/A	-	1,995,880	State or local government
Community Development Block Grants/Entitlement Grants	City of Indianapolis Marion County	14.218	131,300	131,300	Federal grant passed through state or local government
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	The Indianapolis Housing Authority	14.856	626,434	626,434	Federal grant passed through state or local government
Byrne Criminal Justice Innovation Program	U.S. Department of Justice	16.817	401,116	401,116	Direct federal grant
Volunteer Income Tax Assistance Grant (VITA) Matching Grant Program	United Way of Central Indiana, Inc.	21.009	50,149	50,149	Federal grant passed through state or local government
Emergency Rental Assistance Program	Indiana Housing & Community Development Authority &City of Indianapolis – DMD – Office of Public Health and Safety	21.023	8,776,692	8,776,692	Federal grant passed through state or local government
IndyEast Achievement Zone Initiative's Full-Service Community Schools Program	U.S. Department of Education	84.215J	986,000	986,000	Direct federal grant
Promise Neighborhoods Grant	U.S. Department of Education	84.215N	3,926,054	3,926,054	Direct federal grant
21st Century Community Learning Centers	Near Eastside Innovation School Corp	84.287	271,201	271,201	Federal grant passed through state or local government
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	Central Indiana Council on Aging	93.043	2,284	2,284	Federal Grant Passed through State or Local Government
Special Programs for the Aging, Title III, Part B	Central Indiana Council on Aging	93.044	11,245	11,245	Federal grant passed through state or local government

13. FEDERAL, STATE, AND LOCAL GRANT AWARDS, CONTINUED

LifeSmart Youth-Changing the Map of Teen Pregnancy	Indiana State Department of Health	93.297	15,413	15,413	Federal grant passed through state or local government
Low-Income Home Energy Assistance Program	Indiana Housing and Community Development Authority	93.568	1,773,796	1,773,796	Federal grant passed through state or local government
Brookside Building Renovation Project	U.S. Department of Health and Human Services	93.570	693,525	693,525	Direct Federal Grant
VISTA Administrative Support	The Corporation for National and Community Service	94.013	23,541	23,541	Direct Federal Grant
Total funding			$ 18,503,434	$ 20,499,314	

SUPPLEMENTARY INFORMATION

	SOCIAL SERVICES	BONER PROPERTIES, LLC	JHBCC PROPERTIES, LLC	BROOKSIDE COMMERCIAL, LLC	BROOKSIDE APARTMENTS, LP	JEFFERSON APARTMENTS, LP	NEAR EAST SIDE LEGACY CENTER, LLC	THE UNION AT THOMAS GREGG, LP	INDYEAST HOMES, LP	MARVIN GARDENS CONSTRUCTION, LLC	BYRNE COURT, LP	NEW LIFE MANOR, LP	ELIMINATIONS	TOTAL
CURRENT ASSETS														
Cash and cash equivalents	$ 2,864,424	$ 51,159	$ -	$ 3,503	$ 6,664	$ 2,420	$ 5,194	$ 13,415	$ 9,233	$ 329,838	$ 7,434	$ 89,505	$ -	$ 3,382,789
Cash - restricted	92,819	97,133	-	-	134,166	97,289	-	227,153	221,808	-	495,558	519,037	-	1,884,963
Grant reimbursements receivable	3,417,639	-	-	-	-	-	-	-	-	-	-	-	-	3,417,639
United Way receivables	1,063,200	-	-	-	-	-	-	-	-	-	-	-	-	1,063,200
Related party receivables	6,706,717	903,523	-	48,530	2,989	-	5,281,104	-	14,354	-	-	-	(12,851,721)	105,496
Notes receivable, current portion	2,544,508	-	-	-	-	-	-	-	-	-	-	-	(100,000)	2,444,508
Allowance for credit losses	(1,564,507)	-	-	-	-	-	-	-	-	-	-	-	-	(1,564,507)
Notes receivable, current portion, net	980,001	-	-	-	-	-	-	-	-	-	-	-	(100,000)	880,001
Other receivables	256,909	8,899	-	23,356	2,571	2,869	-	12,936	25,896	-	2,623	1,203	-	337,262
Prepaid expenses	65,718	7,068	-	15,048	3,554	5,200	441	48,137	8,411	-	50,550	55,501	-	259,628
Lease inducement fees, net	-	-	-	-	-	-	625,000	-	-	-	-	-	(625,000)	-
Investment in subsidiaries	2,056,218	-	-	-	-	-	-	-	-	-	-	-	(2,056,218)	-
Total current assets	17,503,645	1,067,782	-	90,437	149,944	107,778	5,911,739	301,641	279,702	329,838	556,165	665,246	(15,632,939)	11,330,978
INVESTMENTS	19,813,645	-	-	-	-	-	-	-	-	-	-	-	-	19,813,645
NOTES RECEIVABLE, NET OF CURRENT PORTION	20,319,008	-	-	-	-	-	-	-	-	-	-	-	(20,319,008)	-
PROPERTY AND EQUIPMENT, NET	2,755,213	1,746,641	198,625	2,774,075	2,234,197	2,974,379	7,246,907	6,433,500	4,966,111	-	6,421,614	6,501,703	(2,719,671)	41,533,294
Total assets	$ 60,391,511	$ 2,814,423	$ 198,625	$ 2,864,512	$ 2,384,141	$ 3,082,157	$ 13,158,646	$ 6,735,141	$ 5,245,813	$ 329,838	$ 6,977,779	$ 7,166,949	$ (38,671,618)	$ 72,677,917
CURRENT LIABILITIES														
Line of credit	$ 700,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 700,000
Accounts payable	2,163,776	13,278	-	4,539	10,807	786	3,240	7,205	17,421	43,006	11,692	25,085	-	2,300,835
Accrued payroll	316,979	-	-	-	-	-	-	-	-	-	-	-	-	316,979
Related party payables	4,650,819	-	29,152	2,084,829	615	619,492	834,899	91,925	277,205	9,615	23,988	185,884	(8,624,716)	183,707
Other payables and accrued expenses	3,071,700	6,504	-	-	838,801	2,498,712	68,237	146,680	216,254	-	114,692	124,188	(5,996,539)	1,089,229
Deferred revenue	689,504	-	-	-	-	352	-	5,410	783	-	14,969	4,036	(625,000)	90,054
Current maturities of notes and mortgages payable	-	-	-	-	190,896	-	-	11,446	123,427	-	49,352	31,467	(100,000)	306,588
Total current liabilities	11,592,778	19,782	29,152	2,089,368	1,041,119	3,119,342	906,376	262,666	635,090	52,621	214,693	370,660	(15,346,255)	4,987,392
LONG-TERM LIABILITIES														
Notes and mortgages payable, net of current portion and financing fees	-	-	-	-	663,240	1,290,753	13,858,875	956,114	1,256,205	-	1,701,074	1,745,120	(18,142,868)	3,328,513
Total liabilities	11,592,778	19,782	29,152	2,089,368	1,704,359	4,410,095	14,765,251	1,218,780	1,891,295	52,621	1,915,767	2,115,780	(33,489,123)	8,315,905
NET ASSETS (ACCUMULATED DEFICIT)														
Without donor restrictions - controlling interest	35,366,259	2,693,089	169,473	775,144	679,782	443,718	(1,606,605)	66,024	90,962	277,217	21	95,434	(5,182,495)	33,868,023
Minority interest in net assets without donor restrictions	-	-	-	-	-	(1,771,656)	-	5,450,337	3,263,556	-	5,061,991	4,955,735	-	16,959,963
Total net assets (accumulated deficit) without donor restrictions	35,366,259	2,693,089	169,473	775,144	679,782	(1,327,938)	(1,606,605)	5,516,361	3,354,518	277,217	5,062,012	5,051,169	(5,182,495)	50,827,986
With donor restrictions - time and purpose	6,032,474	101,552	-	-	-	-	-	-	-	-	-	-	-	6,134,026
With donor restrictions - in perpetuity	7,400,000	-	-	-	-	-	-	-	-	-	-	-	-	7,400,000
Total net assets with donor restrictions	13,432,474	101,552	-	-	-	-	-	-	-	-	-	-	-	13,534,026
Total net assets (accumulated deficit)	48,798,733	2,794,641	169,473	775,144	679,782	(1,327,938)	(1,606,605)	5,516,361	3,354,518	277,217	5,062,012	5,051,169	(5,182,495)	64,362,012
Total liabilities and net assets (accumulated deficit)	$ 60,391,511	$ 2,814,423	$ 198,625	$ 2,864,512	$ 2,384,141	$ 3,082,157	$ 13,158,646	$ 6,735,141	$ 5,245,813	$ 329,838	$ 6,977,779	$ 7,166,949	$ (38,671,618)	$ 72,677,917

THE JOHN H. BONER COMMUNITY CENTER, INC. D/B/A JOHN BONER NEIGHBORHOOD CENTERS AND SUBSIDIARIES
D/B/A JOHN BONER NEIGHBORHOOD CENTERS AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

	SOCIAL SERVICES	NEW LIFE MANOR APARTMENTS	BONER PROPERTIES, LLC	JHBCC PROPERTIES, LLC	BROOKSIDE COMMERCIAL, LLC	BROOKSIDE APARTMENTS, LP	JEFFERSON APARTMENTS, LP	NEAR EAST SIDE LEGACY CENTER, LLC	THE UNION AT THOMAS GREGG, LP	INDYEAST HOMES, LP	MARVIN GARDENS CONSTRUCTION, LLC	BYRNE COURT, LP	NEW LIFE MANOR, LP	ELIMINATIONS	TOTAL
CURRENT ASSETS															
Cash and cash equivalents	$ 9,233,638	$ -	$ 33,429	$ -	$ 11,122	$ 5,495	$ 17,112	$ 17,205	$ 4,233	$ 35,049	$ 202,440	$ 25,304	$ 21,486	$ -	$ 9,606,513
Cash - restricted	7,041,059	-	84,165	-	-	133,175	87,940	-	212,023	191,930	-	258,132	269,959	-	8,278,383
Grant reimbursements receivable	1,986,593	-	-	-	-	-	-	-	-	-	-	-	-	-	1,986,593
United Way receivables	520,799	-	-	-	-	-	-	-	-	-	-	-	-	-	520,799
Related party receivables	6,923,471	-	1,007,795	-	64,917	-	-	4,821,879	-	33,411	383,156	-	-	(13,130,633)	103,996
Notes receivable, current portion	2,581,241	-	-	-	-	-	-	-	-	-	-	-	-	(100,000)	2,481,241
Other receivables	1,039,298	-	3,218	-	-	1,870	7,985	-	10,770	41,383	-	11,606	988	-	1,117,118
Prepaid expenses	35,098	-	5,570	-	24,415	3,861	5,557	2,610	50,405	6,610	-	53,527	4,432	(13,901)	178,184
Lease inducement fees, net	-	-	-	-	-	-	-	656,250	-	-	-	-	-	(656,250)	-
Investment in subsidiaries	2,048,208	-	-	-	-	-	-	-	-	-	-	-	-	(2,048,208)	-
Total current assets	31,409,405	-	1,134,177	-	100,454	144,401	118,594	5,497,944	277,431	308,383	585,596	348,569	296,865	(15,948,992)	24,272,827
INVESTMENTS	15,628,719	-	-	-	-	-	-	-	-	-	-	-	-	-	15,628,719
NOTES RECEIVABLE, NET OF CURRENT PORTION	20,041,328	-	-	-	-	-	-	-	-	-	-	-	-	(20,041,328)	-
PROPERTY AND EQUIPMENT, NET	892,960	-	1,815,251	198,625	3,096,244	2,329,363	3,093,344	7,585,019	6,662,393	5,320,011	-	6,832,306	4,487,478	(2,719,671)	39,593,323
Total assets	$ 67,972,412	$ -	$ 2,949,428	$ 198,625	$ 3,196,698	$ 2,473,764	$ 3,211,938	$ 13,082,963	$ 6,939,824	$ 5,628,394	$ 585,596	$ 7,180,875	$ 4,784,343	$ (38,709,991)	$ 79,494,869
CURRENT LIABILITIES															
Accounts payable	$ 1,968,246	$ -	$ 8,394	$ -	$ 47,730	$ 3,884	$ -	$ 8,235	$ 5,594	$ 8,371	$ 229,362	$ 91,050	$ 31,664	$ -	$ 2,402,530
Accrued payroll	300,826	-	-	-	-	-	-	-	-	-	-	-	-	-	300,826
Related party payables	4,193,858	-	-	29,152	2,047,491	9,577	606,597	707,356	22,687	224,662	-	401,460	356,635	(7,792,949)	806,526
Other payables and accrued expenses	2,609,766	-	8,736	-	-	802,141	2,827,038	55,097	123,637	187,394	111,794	314,410	244,521	(6,618,946)	665,588
Deferred revenue	669,003	-	-	-	-	1,522	1,013	-	5,395	47	-	12,691	3,026	(656,250)	36,447
Refundable advance related to grants	7,010,285	-	-	-	-	-	-	-	-	-	-	-	-	-	7,010,285
Current maturities of notes and mortgages payable	-	-	-	-	-	12,636	-	-	11,150	122,284	-	47,857	1,261,032	(100,000)	1,354,959
Total current liabilities	16,751,984	-	17,130	29,152	2,095,221	829,760	3,434,648	770,688	168,463	542,758	341,156	867,468	1,896,878	(15,168,145)	12,577,161
LONG-TERM LIABILITIES															
Notes and mortgages payable, net of current portion and financing fees	-	-	-	-	-	852,407	1,290,753	13,858,875	967,558	1,280,294	-	1,748,338	1,772,459	(18,142,868)	3,627,816
Total liabilities	16,751,984	-	17,130	29,152	2,095,221	1,682,167	4,725,401	14,629,563	1,136,021	1,823,052	341,156	2,615,806	3,669,337	(33,311,013)	16,204,977
NET ASSETS (ACCUMULATED DEFICIT)															
Without donor restrictions - controlling interest	34,610,404	-	2,843,047	169,473	1,101,477	345,484	443,699	(1,546,600)	66,053	91,007	244,440	59	95,451	(5,398,978)	33,065,016
Minority interest in net assets without donor restrictions	-	-	-	-	-	446,113	(1,957,162)	-	5,737,750	3,714,335	-	4,565,010	1,019,555	-	13,525,601
Total net assets (accumulated deficit) without donor restrictions	34,610,404	-	2,843,047	169,473	1,101,477	791,597	(1,513,463)	(1,546,600)	5,803,803	3,805,342	244,440	4,565,069	1,115,006	(5,398,978)	46,590,617
With donor restrictions - time and purpose	9,210,024	-	89,251	-	-	-	-	-	-	-	-	-	-	-	9,299,275
With donor restrictions - in perpetuity	7,400,000	-	-	-	-	-	-	-	-	-	-	-	-	-	7,400,000
Total net assets with donor restrictions	16,610,024	-	89,251	-	-	-	-	-	-	-	-	-	-	-	16,699,275
Total net assets (accumulated deficit)	51,220,428	-	2,932,298	169,473	1,101,477	791,597	(1,513,463)	(1,546,600)	5,803,803	3,805,342	244,440	4,565,069	1,115,006	(5,398,978)	63,289,892
Total liabilities and net assets (accumulated deficit)	$ 67,972,412	$ -	$ 2,949,428	$ 198,625	$ 3,196,698	$ 2,473,764	$ 3,211,938	$ 13,082,963	$ 6,939,824	$ 5,628,394	$ 585,596	$ 7,180,875	$ 4,784,343	$ (38,709,991)	$ 79,494,869

THE JOHN H. BONER COMMUNITY CENTER, INC. D/B/A JOHN BONER NEIGHBORHOOD CENTERS AND SUBSIDIARIES
D/B/A JOHN BONER NEIGHBORHOOD CENTERS AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

	SOCIAL SERVICES			BONER PROPERTIES, LLC		JHBCC PROPERTIES, LLC	BROOKSIDE COMMERCIAL, LLC	BROOKSIDE APARTMENTS, LP
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS - TIME OR PURPOSE	WITH DONOR RESTRICTIONS - IN PERPETUITY	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS - TIME OR PURPOSE	WITHOUT DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS
REVENUE AND OTHER SUPPORT								
Direct Public Support								
Contributions	$ 63,925	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Special events, net of $4,210 expense	(4,210)	-	-	-	-	-	-	-
Total direct public support	59,715	-	-	-	-	-	-	-
Indirect Public Support								
United Way								
Support funds	475,000	-	-	-	-	-	-	-
Donor option	5,597	-	-	-	-	-	-	-
Grants and awards	8,646,372	948,050	-	-	-	-	-	-
Total indirect public support	9,126,969	948,050	-	-	-	-	-	-
Fees and grants from government and other agencies	11,633,677	-	-	-	-	-	-	-
Other Revenue								
Program service fees, net of membership discounts	194,509	-	-	-	-	-	-	-
Rent income, net of vacancies, and other charges	25,107	-	-	316,504	14,780	-	213,209	206,314
Investment income	2,020,123	-	-	-	-	-	-	1
Change in investment in subsidiaries	(214,518)	-	-	-	-	-	-	-
Other revenue	740,816	-	-	-	-	-	30	2,565
In-kind	305,389	-	-	798	-	-	6	-
Total other revenue	3,071,426	-	-	317,302	14,780	-	213,245	208,880
Net assets released from restrictions	4,125,600	(4,125,600)	-	2,479	(2,479)	-	-	-
Total revenue and other support	28,017,387	(3,177,550)	-	319,781	12,301	-	213,245	208,880
EXPENSES								
Salaries and wages	5,399,476	-	-	98,955	-	-	-	31,233
Employee benefits	670,360	-	-	19,401	-	-	-	5,336
Payroll taxes	521,829	-	-	8,725	-	-	-	3,315
Specific assistance	10,597,626	-	-	-	-	-	-	-
Professional fees	243,109	-	-	337	-	-	18,991	11,500
Professional fees - other service providers	4,911,497	-	-	50,147	-	-	6,176	12,704
Management fee	-	-	-	23,883	-	-	-	10,320
Supplies	410,713	-	-	2,387	-	-	19,332	7,860
Telephone	17,848	-	-	1,815	-	-	1,441	3,310
Postage and shipping	30,047	-	-	5	-	-	5	5
Occupancy - rental, utilities, and insurance	1,055,302	-	-	26,921	-	-	105,888	35,206
Occupancy - repairs, maintenance	3,275	-	-	120,786	-	-	-	48,232
Other repairs and maintenance	53,645	-	-	31,612	-	-	55,767	-
Conferences and meetings	151,871	-	-	44	-	-	-	109
Printing and publications	47,909	-	-	-	-	-	-	-
Travel and transportation	14,895	-	-	1,056	-	-	387	406
Contributions, dues, and awards	212,372	-	-	242	-	-	-	304
Activity fees and charges	26,886	-	-	-	-	-	-	-
Interest	174,573	-	-	-	-	-	-	45,461
Other	432,591	-	-	7,914	-	-	9,416	5,801
In-kind	305,389	-	-	798	-	-	6	-
Credit loss expense	434,055	-	-	6,101	-	-	-	2,699
Depreciation and amortization	184,075	-	-	68,610	-	-	322,169	96,894
Total expenses	25,899,343	-	-	469,739	-	-	539,578	320,695
CHANGE IN NET ASSETS BEFORE CAPITAL CONTRIBUTIONS	2,118,044	(3,177,550)	-	(149,958)	12,301	-	(326,333)	(111,815)
ASSUMPTION OF NET ASSETS	202,318	-	-	-	-	-	-	-
CAPITAL CONTRIBUTIONS	-	-	-	-	-	-	-	-
NET ASSETS (ACCUMULATED DEFICIT), BEGINNING OF YEAR (RESTATED)	33,045,897	9,210,024	7,400,000	2,843,047	89,251	169,473	1,101,477	791,597
NET ASSETS (ACCUMULATED DEFICIT), END OF YEAR	$ 35,366,259	$ 6,032,474	$ 7,400,000	$ 2,693,089	$ 101,552	$ 169,473	$ 775,144	$ 679,782

	JEFFERSON APARTMENTS, LP	NEAR EAST SIDE LEGACY CENTER, LLC	THE UNION AT THOMAS GREGG, LP	INDYEAST HOMES, LP	MARVIN GARDENS CONSTRUCTION, LLC	BYRNE COURT, LP	NEW LIFE MANOR, LP	ELIMINATIONS	TOTAL
	WITHOUT DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS		
REVENUE AND OTHER SUPPORT									
Direct Public Support									
Contributions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 63,925
Special events, net of $4,210 expense	-	-	-	-	-	-	-	-	(4,210)
Total direct public support	-	-	-	-	-	-	-	-	59,715
Indirect Public Support									
United Way									
Support funds	-	-	-	-	-	-	-	-	475,000
Donor option	-	-	-	-	-	-	-	-	5,597
Grants and awards	-	-	-	-	-	-	-	-	9,594,422
Total indirect public support	-	-	-	-	-	-	-	-	10,075,019
Fees and grants from government and other agencies	-	-	-	-	-	-	-	(704,647)	10,929,030
Other Revenue									
Program service fees, net of membership discounts	-	-	-	-	-	-	-	-	194,509
Rent income, net of vacancies, and other charges	132,734	564,225	243,484	361,893	-	414,167	380,712	(848,670)	2,024,459
Investment income	576	-	-	-	-	-	-	(323,582)	1,697,118
Change in investment in subsidiaries	-	-	-	-	-	-	-	214,518	-
Other revenue	433,968	-	13,343	7,101	58,230	13,720	7,773	(512,425)	765,121
In-kind	-	12	-	-	-	-	-	-	306,205
Total other revenue	567,278	564,237	256,827	368,994	58,230	427,887	388,485	(1,470,159)	4,987,412
Net assets released from restrictions	-	-	-	-	-	-	-	-	-
Total revenue and other support	567,278	564,237	256,827	368,994	58,230	427,887	388,485	(2,174,806)	26,051,176
EXPENSES									
Salaries and wages	12,595	-	29,735	77,913	-	60,339	87,211	(389,083)	5,408,374
Employee benefits	-	-	-	13,397	-	8,076	13,583	(71,570)	658,583
Payroll taxes	3,510	-	8,659	6,119	-	7,572	10,055	(40,471)	529,313
Specific assistance	-	-	-	-	-	19,999	20,078	(39,999)	10,597,704
Professional fees	10,254	51,470	27,971	36,773	-	15,800	33,365	(74,817)	374,753
Professional fees - other service providers	2,500	2,894	3,832	137,530	-	44,166	31,376	(151,815)	5,051,007
Management fee	7,964	-	12,600	24,822	-	30,358	44,263	(109,947)	44,263
Supplies	33,995	112	8,842	17,773	-	55,825	55,237	-	612,076
Telephone	3,364	476	2,952	-	-	-	-	-	31,206
Postage and shipping	-	5	-	-	-	-	-	-	30,067
Occupancy - rental, utilities, and insurance	44,570	16,547	68,668	69,042	-	42,987	60,415	(706,104)	819,442
Occupancy - repairs, maintenance	4,959	56,323	63,552	-	-	12,533	12,792	-	322,452
Other repairs and maintenance	16,155	136	-	-	-	-	-	-	157,315
Conferences and meetings	-	-	-	-	-	23	23	-	152,070
Printing and publications	-	-	-	-	-	-	-	-	47,909
Travel and transportation	128	212	690	-	-	-	-	(910)	16,864
Contributions, dues, and awards	-	-	-	-	-	-	-	-	212,918
Activity fees and charges	-	-	-	-	-	-	-	-	26,886
Interest	101,341	126,569	24,853	54,296	-	59,556	56,701	(320,251)	323,099
Other	11,297	124	6,095	8,453	25,453	29,767	11,758	(24,864)	523,805
In-kind	-	12	-	-	-	-	-	-	306,205
Credit loss expense	8,299	-	24,660	15,047	-	2,753	10,011	(430,208)	73,417
Depreciation and amortization	120,822	369,362	261,160	358,653	-	413,848	107,040	(31,250)	2,271,383
Total expenses	381,753	624,242	544,269	819,818	25,453	803,602	553,908	(2,391,289)	28,591,111
CHANGE IN NET ASSETS BEFORE CAPITAL CONTRIBUTIONS	185,525	(60,005)	(287,442)	(450,824)	32,777	(375,715)	(165,423)	216,483	(2,539,935)
ASSUMPTION OF NET ASSETS	-	-	-	-	-	-	-	-	202,318
CAPITAL CONTRIBUTIONS	-	-	-	-		872,658	4,101,586	-	4,974,244
NET ASSETS (ACCUMULATED DEFICIT), BEGINNING OF YEAR (RESTATED)	(1,513,463)	(1,546,600)	5,803,803	3,805,342	244,440	4,565,069	1,115,006	(5,398,978)	61,725,385
NET ASSETS (ACCUMULATED DEFICIT), END OF YEAR	$ (1,327,938)	$ (1,606,605)	$ 5,516,361	$ 3,354,518	$ 277,217	$ 5,062,012	$ 5,051,169	$ (5,182,495)	$ 64,362,012

THE JOHN H. BONER COMMUNITY CENTER, INC. D/B/A JOHN BONER NEIGHBORHOOD CENTERS AND SUBSIDIARIES
D/B/A JOHN BONER NEIGHBORHOOD CENTERS AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

	SOCIAL SERVICES			NEW LIFE MANOR APARTMENTS		BONER PROPERTIES, LLC		JHBCC PROPERTIES, LLC	BYRNE COURT APARTMENTS		BROOKSIDE COMMERCIAL, LLC	BROOKSIDE APARTMENTS, LP	JEFFERSON APARTMENTS, LP	NEAR EAST SIDE LEGACY CENTER, LLC	THE UNION AT THOMAS GREGG, LP	INDYEAST HOMES, LP	MARVIN GARDENS CONSTRUCTION, LLC	BYRNE COURT, LP	NEW LIFE MANOR, LP	ELIMINATIONS	TOTAL
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS - TIME OR PURPOSE	WITH DONOR RESTRICTIONS - IN PERPETUITY	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS - TIME OR PURPOSE	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS - TIME OR PURPOSE	WITHOUT DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS - TIME OR PURPOSE	WITHOUT DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS		
REVENUE AND OTHER SUPPORT																					
Direct Public Support																					
Contributions	$ 115,632	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 115,632
Special events, net of $21,106 expense	8,957	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,957
Total direct public support	124,589	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	124,589
Indirect Public Support																					
United Way																					
Support funds	387,184	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	387,184
Donor option	7,346	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,346
Grants and awards	2,163,650	5,113,883	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,277,533
Total indirect public support	2,558,180	5,113,883	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,672,063
Fees and grants from government and other agencies	102,635,873	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(723,630)	101,912,243
Other Revenue																					
Program service fees	142,396	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	142,396
Rent income and other charges	29,036	-	-	120,863	-	327,240	12,315	-	-	-	212,667	176,270	127,533	564,225	235,422	325,012	-	353,594	221,306	(843,090)	1,862,393
Investment income (loss)	(1,080,866)	-	-	96	-	-	-	-	-	-	-	-	319	-	-	-	-	-	-	(333,750)	(1,414,201)
Change in investment in subsidiaries	(370,165)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	333,339	(36,826)
Other	597,395	-	-	-	-	505	-	-	-	-	-	1,301	432,617	-	7,846	1,238	(20,744)	5,582	1,776	(927,410)	100,016
Gain on sale of business acquisition	-	-	-	657,543	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	657,543
In-kind	324,457	-	-	-	-	1,060	-	-	-	-	288	-	-	-	-	-	-	-	-	-	325,805
Total other revenue	(357,837)	-	-	778,502	-	328,805	12,315	-	-	-	212,955	177,571	560,469	564,225	243,268	326,250	(20,744)	359,176	223,082	(1,770,911)	1,637,126
Net assets released from restrictions	3,659,120	(3,659,120)	-	127,552	(127,552)	470	(470)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue and other support	108,619,925	1,454,763	-	906,054	(127,552)	329,275	11,845	-	-	-	212,955	177,571	560,469	564,225	243,268	326,250	(20,744)	359,176	223,082	(2,494,541)	111,346,021
EXPENSES																					
Salaries and wages	5,026,726	-	-	27,823	-	104,902	-	-	-	-	-	36,152	9,464	-	55,977	77,583	-	47,722	67,424	(419,362)	5,034,411
Employee benefits	578,270	-	-	7,156	-	17,037	-	-	-	-	-	-	-	-	-	10,717	-	8,291	10,995	(73,450)	559,016
Payroll taxes	475,814	-	-	4,193	-	9,449	-	-	-	-	-	8,833	2,326	-	14,152	6,155	-	6,775	6,760	(42,315)	492,142
Specific assistance	92,705,948	-	-	4,920	-	-	-	-	-	-	-	-	-	-	-	-	-	20,324	14,983	(40,227)	92,705,948
Professional fees	201,500	-	-	17,388	-	107	-	-	-	-	16,401	7,420	8,724	55,440	26,897	34,287	-	64,293	4,350	(57,952)	378,855
Professional fees - other service providers	6,570,018	-	-	-	-	35,360	-	-	-	-	6,785	3,404	2,500	-	4,624	186,001	-	31,452	17,096	(134,303)	6,722,937
Management fee	-	-	-	7,343	-	24,533	-	-	-	-	-	8,371	7,653	-	12,451	21,496	-	46,068	26,757	(120,572)	34,100
Supplies	491,515	-	-	15,572	-	1,093	-	-	-	-	17,472	14,901	30,961	278	15,138	23,984	-	49,689	34,517	-	695,120
Telephone	37,214	-	-	-	-	1,624	-	-	-	-	1,251	2,833	2,672	429	3,007	-	-	-	-	-	49,030
Postage and shipping	31,640	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31,640
Occupancy - rental, utilities, and insurance	1,021,621	-	-	13,105	-	27,474	-	-	-	-	120,788	57,299	29,868	18,428	58,973	45,843	-	48,454	55,383	(715,175)	782,061
Occupancy - repairs and maintenance	2,759	-	-	2,556	-	78,572	-	-	-	-	-	30,120	6,299	53,194	37,357	-	-	11,744	9,305	-	231,906
Other repairs and maintenance	117,469	-	-	-	-	49,446	-	-	-	-	58,771	-	8,083	152	-	-	-	-	-	-	233,921
Conferences and meetings	290,021	-	-	13	-	338	-	-	-	-	4	-	-	3	-	-	-	14	-	-	290,393
Printing and publications	3,002	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,002
Travel and transportation	10,850	-	-	-	-	815	-	-	-	-	415	456	42	227	509	-	-	-	-	-	13,314
Contributions, dues, and awards	31,352	-	-	-	-	278	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31,630
Activity fees and charges	28,552	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28,552
Interest	18,335	-	-	12,098	-	-	-	-	-	-	-	47,895	113,559	127,424	24,028	56,462	-	149,039	32,845	(327,964)	253,721
Other	398,591	-	-	2,178	-	7,716	-	-	580	-	12,692	6,362	9,355	494	5,018	9,764	1,067	9,149	3,423	-	466,389
In-kind	324,457	-	-	-	-	1,060	-	-	-	-	288	-	-	-	-	-	-	-	-	-	325,805
Credit losses	461,217	-	-	396	-	6,424	-	-	-	-	-	4,488	689	-	14,781	20,973	-	5,826	2,411	(430,208)	86,997
Depreciation and amortization	177,909	-	-	9,266	-	68,610	-	-	-	-	321,148	102,593	120,698	369,362	261,160	374,093	-	317,259	25,925	(31,250)	2,116,773
Total expenses	109,004,780	-	-	124,007	-	434,838	-	-	580	-	556,015	331,127	352,893	625,431	534,072	867,358	1,067	816,099	312,174	(2,392,778)	111,567,663
CHANGE IN NET ASSETS BEFORE CAPITAL CONTRIBUTIONS (DISTRIBUTIONS)	(384,855)	1,454,763	-	782,047	(127,552)	(105,563)	11,845	-	(580)	-	(343,060)	(153,556)	207,576	(61,206)	(290,804)	(541,108)	(21,811)	(456,923)	(89,092)	(101,763)	(221,642)
CAPITAL CONTRIBUTIONS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,069,674	1,204,098	(96,687)	5,177,085
NET ASSETS (ACCUMULATED DEFICIT), BEGINNING OF YEAR	34,995,259	7,755,261	7,400,000	(782,047)	127,552	2,948,610	77,406	169,473	580	-	1,444,537	945,153	(1,721,039)	(1,485,394)	6,094,607	4,346,450	266,251	952,318	-	(5,200,528)	58,334,449
NET ASSETS (ACCUMULTED DEFICIT), END OF YEAR	$ 34,610,404	$ 9,210,024	$ 7,400,000	$ -	$ -	$ 2,843,017	$ 89,251	$ 169,473	$ -	$ -	$ 1,101,477	$ 791,597	$ (1,513,463)	$ (1,546,600)	$ 5,803,803	$ 3,805,342	$ 244,440	$ 4,565,069	$ 1,115,006	$ (5,398,978)	$ 63,289,892

THE JOHN H. BONER COMMUNITY CENTER, INC. D/B/A JOHN BONER NEIGHBORHOOD CENTERS AND SUBSIDIARIES
D/B/A JOHN BONER NEIGHBORHOOD CENTERS AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH

	SOCIAL SERVICES	BONER PROPERTIES, LLC	BROOKSIDE COMMERCIAL, LLC	BROOKSIDE APARTMENTS, LP	JEFFERSON APARTMENTS, LP	NEAR, EAST SIDE LEGACY CENTER, LLC	THE UNION AT THOMAS GREGG, LP	INDYEAST HOMES, LP	MARVIN GARDENS CONSTRUCTION, LLC	BYRNE COURT, LP	NEW LIFE MANOR, LP	ELIMINATIONS	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES													
Cash and cash equivalents received from organizations and others	$ 14,764,755	$ 423,774	$ 206,276	$ 200,969	$ 130,793	$ 114,558	$ 254,676	$ 404,274	$ 441,386	$ 436,032	$ 391,034	$ (245,697)	$ 17,522,830
Cash and cash equivalents paid to suppliers, employees, and others	(24,999,971)	(393,076)	(213,895)	(175,466)	(35,371)	-	(219,216)	(314,575)	(313,988)	(303,844)	(282,061)	(272,368)	(27,523,831)
Interest paid	(174,573)	-	-	(10,708)	(101,341)	(126,569)	-	(57,938)	-	(40,559)	(46,762)	323,582	(234,868)
Investment income received	744,255	-	-	-	576	-	-	-	-	-	-	(323,582)	421,249
Net cash, cash equivalents, and restricted cash provided by (used in) operating activities	(9,665,534)	30,698	(7,619)	14,795	(5,343)	(12,011)	35,460	31,761	127,398	91,629	62,211	(518,065)	(9,814,620)
CASH FLOWS FROM INVESTING ACTIVITIES													
Proceeds from sale of investments	980,070	-	-	-	-	-	-	-	-	-	-		980,070
Purchases of investments	(3,750,171)	-	-	-	-	-	-	-	-	-	-	-	(3,750,171)
Acquisition of property and equipment	(1,340,872)	-	-	-	-	-	-	-	-	(465,844)	(2,585,669)	-	(4,392,385)
Payments received from notes receivable	36,733	-	-	-	-	-	-	-	-	-	-	-	36,733
Investments made in notes receivable	(277,680)	-	-	-	-	-	-	-	-	-	-	277,680	-
Net cash, cash equivalents, and restricted cash used in investing activities	(4,351,920)	-	-	-	-	-	-	-	-	(465,844)	(2,585,669)	277,680	(7,125,753)
CASH FLOWS FROM FINANCING ACTIVITIES													
Net proceeds from line of credit	700,000	-	-	-	-	-	-	-	-	-	-	-	700,000
Principal payments on notes and mortgages payable	-	-	-	(12,635)	-	-	(11,148)	(27,699)	-	(47,858)	(2,720,808)	9,356	(2,810,792)
Proceeds from notes payable	-	-	-	-	-	-	-	-	-	-	1,459,777	-	1,459,777
Payment of developer fees	-	-	-	-	-	-	-	-	-	(231,029)		231,029	-
Capital contributions received	-	-	-	-	-	-	-	-	-	872,658	4,101,586	-	4,974,244
Net cash, cash equivalents, and restricted cash provided by (used in) financing activities	700,000	-	-	(12,635)	-	-	(11,148)	(27,699)	-	593,771	2,840,555	240,385	4,323,229
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(13,317,454)	30,698	(7,619)	2,160	(5,343)	(12,011)	24,312	4,062	127,398	219,556	317,097	-	(12,617,144)
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, BEGINNING OF YEAR	16,274,697	117,594	11,122	138,670	105,052	17,205	216,256	226,979	202,440	283,436	291,445	-	17,884,896
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, END OF YEAR	$ 2,957,243	$ 148,292	$ 3,503	$ 140,830	$ 99,709	$ 5,194	$ 240,568	$ 231,041	$ 329,838	$ 502,992	$ 608,542	$ -	$ 5,267,752
SUMMARY OF NON-CASH INVESTING AND FINANCING ACTIVITIES													
Purchase of property and equipment included in accounts payable	$ 699,884	$ -	$ -	$ -	$ -	$ -	$ 28,830	$ -	$ -	$ -	$ 221,728	$ (28,830)	$ 921,612
Capitalized interest expense in property and equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 83,828	$ (3,331)	$ 80,497
Net assets acquired through assumption of investment in subsidiary	$ 202,318	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 202,318

RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH, CASH EQUIVALENTS, AND RESTRICTED CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES

	SOCIAL SERVICES	BONER PROPERTIES, LLC	BROOKSIDE COMMERCIAL, LLC	BROOKSIDE APARTMENTS, LP	JEFFERSON APARTMENTS, LP	NEAR EAST SIDE LEGACY CENTER, LLC	THE UNION AT THOMAS GREGG, LP	INDYEAST HOMES, LP	MARVIN GARDENS CONSTRUCTION, LLC	BYRNE COURT, LP	NEW LIFE MANOR, LP	ELIMINATIONS	TOTAL
CHANGE IN NET ASSETS	$ (1,059,506)	$ (137,657)	$ (326,333)	$ (111,815)	$ 185,525	$ (60,005)	$ (287,442)	$ (450,824)	$ 32,777	$ (375,715)	$ (165,423)	$ 216,483	$ (2,539,935)
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH, CASH EQUIVALENTS, AND RESTRICTED CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES													
Depreciation and amortization	184,075	68,610	322,169	96,894	120,822	369,362	261,160	358,653	-	413,848	107,040	(31,250)	2,271,383
Debt forgiveness income	-	-	-	-	(430,208)	-	-	-	-	-	-	430,208	-
Change in credit losses	(1,564,507)	-	-	-	-	-	-	-	-	-	-	-	(1,564,507)
Unrealized gain on investments	(1,275,868)	-	-	-	-	-	-	-	-	-	-	-	(1,275,868)
Change in investment in subsidiary	214,518	-	-	-	-	-	-	-	-	-	-	(214,518)	-
(Increase) decrease in operating assets													
Grant reimbursements receivable	(1,431,046)	-	-	-	-	-	-	-	-	-	-	-	(1,431,046)
United Way receivables	(542,401)	-	-	-	-	-	-	-	-	-	-	-	(542,401)
Related party receivables	216,754	104,272	16,387	(2,989)	-	(459,225)	-	19,057	383,156	-	-	(278,912)	(1,500)
Other receivables, net	782,389	(5,681)	(23,356)	(701)	3,259	-	(2,166)	15,487	-	8,983	(215)	-	777,999
Prepaid expenses	(30,620)	(1,498)	9,367	307	357	2,169	(1,169)	(1,801)	-	2,977	(51,069)	-	(70,980)
Increase (decrease) in operating liabilities													
Accounts payable	895,414	4,884	(43,191)	6,923	786	(4,995)	1,611	9,050	(186,356)	(14,974)	(6,579)	-	662,573
Accrued payroll	16,153	-	-	-	-	-	-	-	-	-	-	-	16,153
Related party payables	456,961	-	37,338	(8,962)	12,895	127,543	40,408	52,543	9,615	22,921	297,780	(1,293,733)	(244,691)
Other payables and accrued expenses	461,934	(2,232)	-	36,660	101,882	13,140	23,043	28,860	(111,794)	31,311	(120,333)	622,407	1,084,878
Deferred revenue	20,501	-	-	(1,522)	(661)	-	15	736	-	2,278	1,010	31,250	53,607
Refundable advance related to grants	(7,010,285)	-	-	-	-	-	-	-	-	-	-	-	(7,010,285)
Total adjustments	(8,606,028)	168,355	318,714	126,610	(190,868)	47,994	322,902	482,585	94,621	467,344	227,634	(734,548)	(7,274,685)
NET UNRESTRICTED CASH, CASH EQUIVALENTS, AND RESTRICTED CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	$ (9,665,534)	$ 30,698	$ (7,619)	$ 14,795	$ (5,343)	$ (12,011)	$ 35,460	$ 31,761	$ 127,398	$ 91,629	$ 62,211	$ (518,065)	$ (9,814,620)

THE JOHN H. BONER COMMUNITY CENTER, INC. D/B/A JOHN BONER NEIGHBORHOOD CENTERS AND SUBSIDIARIES
D/B/A JOHN BONER NEIGHBORHOOD CENTERS AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH

	SOCIAL SERVICES	NEW LIFE MANOR APARTMENTS	BONER PROPERTIES, LLC	JHBCC PROPERTIES, LLC	BYRNE COURT APARTMENTS	BROOKSIDE COMMERCIAL, LLC	BROOKSIDE APARTMENTS, LP	JEFFERSON APARTMENTS, LP	NEAR EAST SIDE LEGACY CENTER, LLC	THE UNION AT THOMAS GREGG, LP	INDYEAST HOMES, LP	MARVIN GARDENS CONSTRUCTION, LLC	BYRNE COURT, LP	NEW LIFE MANOR, LP	ELIMINATIONS	TOTAL
CASH FLOWS FROM OPERATING ACTIVITEIS																
Cash received from organizations and others	$ 56,579,171	$ 117,693	$ 500,444	$ -	$ -	$ 243,188	$ 182,497	$ 558,030	$ 112,627	$ 240,647	$ 564,817	$ (285,020)	$ 352,320	$ 1,151,345	$ (818,173)	$ 59,499,586
Cash paid to suppliers, employees, and others	(107,609,870)	(176,968)	(627,931)	-	(580)	(207,255)	(170,538)	(406,839)	21,741	(272,736)	(466,291)	49,265	(760,120)	-	350,173	(110,277,949)
Interest paid	(18,335)	(12,098)	-	-	-	-	(13,142)	(113,559)	(127,424)	-	(57,938)	-	(149,039)	(57,802)	333,750	(215,587)
Investment income received	589,311	96	-	-	-	-	-	319	-	-	-	-	-	-	(333,750)	255,976
Net cash, cash equivalents, and restricted cash provided by (used in) operating activities	(50,459,723)	(71,277)	(127,487)	-	(580)	35,933	(1,183)	37,951	6,944	(32,089)	40,588	(235,755)	(556,839)	1,093,543	(468,000)	(50,737,974)
CASH FLOWS FROM INVESTING ACTIVITES																
Proceeds from sale of investments	441,047	-	-	-	-	-	-	-	-	-	-	-	-	-	-	441,047
Purchases of investments	(1,075,403)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,075,403)
Acquisition of property and equipment	(387,329)	-	-	-	-	(28,335)	-	(27,967)	-	-	-	-	(1,120,653)	(2,036,641)	-	(3,600,925)
Payments received from notes receivable	979	-	-	-	-	-	-	-	-	-	-	-	-	-	(979)	-
Investments made in notes receivable	(880,407)	-	-	-	-	-	-	-	-	-	-	-	-	-	712,266	(168,141)
Net cash, cash equivalents, and restricted cash provided by (used in) investing activities	(1,901,113)	-	-	-	-	(28,335)	-	(27,967)	-	-	-	-	(1,120,653)	(2,036,641)	711,287	(4,403,422)
CASH FLOWS FROM FINANCING ACTIVITIES																
Principal payments on notes and mortgages payable	-	(9,803)	-	-	-	-	(11,976)	-	-	(14,219)	(26,027)	-	(4,020,235)	(19,894)	21,274	(4,080,880)
Cash inflow from note payable	-	45,405	-	-	-	-	-	-	-	-	-	-	1,678,703	-	(167,874)	1,556,234
Transfer of cash during acquisition	-	(216,014)	-	-	-	-	-	-	-	-	-	-	-	216,014	-	-
Payment of developer fees	-	-	-	-	-	-	-	-	-	-	-	-	(44,560)	(105,340)	-	(149,900)
Payment of financing fees	(20,941)	-	-	-	-	-	-	-	(1)	-	-	-	-	(60,335)	-	(81,277)
Capital contributions (paid) received	-	-	-	-	-	-	-	-	-	-	-	-	4,069,674	1,204,098	(96,687)	5,177,085
Net cash, cash equivalents, and restricted cash provided by (used in) financing activities	(20,941)	(180,412)	-	-	-	-	(11,976)	-	(1)	(14,219)	(26,027)	-	1,683,582	1,234,543	(243,287)	2,421,262
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(52,381,777)	(251,689)	(127,487)	-	(580)	7,598	(13,159)	9,984	6,943	(46,308)	14,561	(235,755)	6,090	291,445	-	(52,720,134)
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, BEGINNING OF YEAR	68,656,474	251,689	245,081	-	580	3,524	151,829	95,068	10,262	262,564	212,418	438,195	277,346	-	-	70,605,030
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, END OF YEAR	$ 16,274,697	$ -	$ 117,594	$ -	$ -	$ 11,122	$ 138,670	$ 105,052	$ 17,205	$ 216,256	$ 226,979	$ 202,440	$ 283,436	$ 291,445	$ -	$ 17,884,896
SUMMARY OF NON-CASH INVESTING AND FINANCING ACTIVITIES																
Purchase of property and equipment in accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 64,384	$ 526,284	$ -	$ 590,668
Capitalized interest expense in property and equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 24,957	$ -	$ 24,957
Assets acquired through assumption of debt/liabilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,356,900	$ (1,356,900)	$ -
Additions of property and equipment purchases via notes payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,730,464	$ (1,730,464)	$ -

RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH, CASH EQUIVALENTS, AND RESTRICTED CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES

	SOCIAL SERVICES	NEW LIFE MANOR APARTMENTS	BONER PROPERTIES, LLC	JHBCC PROPERTIES, LLC	BYRNE COURT APARTMENTS	BROOKSIDE COMMERCIAL, LLC	BROOKSIDE APARTMENTS, LP	JEFFERSON APARTMENTS, LP	NEAR EAST SIDE LEGACY CENTER, LLC	THE UNION AT THOMAS GREGG, LP	INDYEAST HOMES, LP	MARVIN GARDENS CONSTRUCTION, LLC	BYRNE COURT, LP	NEW LIFE MANOR, LP	ELIMINATIONS	TOTAL
CHANGE IN NET ASSETS	$ 1,069,908	$ 654,495	$ (93,718)	$ -	$ (580)	$ (343,060)	$ (153,556)	$ 207,576	$ (61,206)	$ (290,804)	$ (541,108)	$ (21,811)	$ (456,923)	$ (89,092)	$ (101,763)	$ (221,642)
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH, CASH EQUIVALENTS, AND RESTRICTED CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES																
Depreciation and amortization	177,909	9,266	68,610	-	-	321,148	102,593	120,698	369,362	261,160	374,093	-	317,259	25,925	(31,250)	2,116,773
Gain on sale of business acquisition	-	(657,543)	-	-	-	-	-	-	-	-	-	-	-	-	-	(657,543)
Unrealized gains on investments	1,670,177	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,670,177
Change in investment in subsidiary	370,165	-	-	-	-	-	-	-	-	-	-	-	-	-	(333,339)	36,826
(Increase) decrease in operating assets																
Grant reimbursements receivable	(447,656)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(447,656)
United Way receivables	492,515	-	-	-	-	-	-	-	-	-	-	-	-	-	-	492,515
Related party receivables	533,229	-	169,530	-	-	30,233	7,899	-	(451,598)	7,260	241,139	70,009	-	-	(414,321)	193,380
Other receivables, net	5,102,131	-	(2,722)	-	-	-	1,645	(1,389)	-	(8,725)	(2,493)	-	(11,401)	(988)	-	5,076,058
Prepaid expenses	21,311	9,096	1,797	-	-	(11,638)	(281)	(759)	224	3,992	2,266	-	(44,630)	(4,432)	-	(23,054)
Increase (decrease) in operating liabilities																
Accounts payable	788,038	(10,992)	(15,078)	-	-	19,423	(3,530)	(3,779)	(67,562)	(2,499)	(6,384)	(73,705)	(467,642)	557,948	-	714,238
Accrued payroll	64,864	-	-	-	-	-	-	-	-	-	-	-	-	-	-	64,864
Related party payables	45,564	(58,561)	(256,611)	32	-	19,827	(290,155)	31,706	205,304	(91,837)	(52,934)	-	(97,936)	356,635	665,813	476,847
Other payables and accrued expenses	(45,568)	(14,264)	705	(32)	-	-	334,332	(316,060)	12,420	90,520	26,088	(210,248)	199,889	244,521	(284,390)	37,913
Deferred revenue	(26,780)	(2,774)	-	-	-	-	(130)	(42)	-	(1,156)	(79)	-	4,545	3,026	31,250	7,860
Refundable advance related to grants	(60,275,530)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(60,275,530)
Total adjustments	(51,529,631)	(725,772)	(33,769)	-	-	378,993	152,373	(169,625)	68,150	258,715	581,696	(213,944)	(99,916)	1,182,635	(366,237)	(50,516,332)
NET UNRESTRICTED CASH, CASH EQUIVALENTS, AND RESTRICTED CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	$ (50,459,723)	$ (71,277)	$ (127,487)	$ -	$ (580)	$ 35,933	$ (1,183)	$ 37,951	$ 6,944	$ (32,089)	$ 40,588	$ (235,755)	$ (556,839)	$ 1,093,543	$ (468,000)	$ (50,737,974)

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	ASSISTANCE LISTING NUMBER	AGENCY PASS-THROUGH NUMBER	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
City of Indianapolis - Department of Metropolitan Development			
CDBG-Entitlement Grants Cluster			
Community Development Block Grants/Entitlement Grants	14.218	19199	$ 27,650
Community Development Block Grants/Entitlement Grants	14.218	17853	46,075
Community Development Block Grants/Entitlement Grants	14.218	20515	57,575
Total Community Development Block Grants/Entitlement Grants			131,300
Indianapolis Housing Authority			
Section 8 Project-Based Cluster			
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.856	IN017	626,434
Total U.S. Department of Housing and Urban Development Programs			757,734
U.S. DEPARTMENT OF JUSTICE			
Byrne Criminal Justice Innovation Program	16.817		401,116
Total U.S. Department of Justice Programs			401,116
U.S. DEPARTMENT OF THE TREASURY - INTERNAL REVENUE SERVICE			
United Way of Central Indiana			
Volunteer Income Tax Assistance (VITA) Matching Grant Program	21.009	Agreement #3022	810
	21.009	Agreement #2548	49,339
Total Volunteer Income Tax Assistance (VITA) Matching Grant Program and Department of Treasury - Internal Revenue Service Programs			50,149
U.S. DEPARTMENT OF THE TREASURY			
Indiana Housing & Community Development Authority & City of Indianapolis - Office of Public Health and Safety			
COVID-19 Emergency Rental Assistance Program	21.023	ERA - 1 - 001	332,415
City of Indianapolis - Office of Public Health and Safety			
COVID-19 Emergency Rental Assistance Program	21.023	ERA - 2	8,444,277
Total Emergency Rental Assistance Program and U.S. Department of Treasury			8,776,692
U.S. DEPARTMENT OF EDUCATION			
Innovative Approaches to Literacy; Promise Neighborhoods; Full-Service Community Schools; and	84.215J		986,000
Congressionally Directed Spending for Elementary and Secondary Education Community Projects	84.215N		3,926,054
Total Innovative Approaches to Literacy; Promise Neighborhoods; Full-Service Community Schools; and Congressionally Directed Spending for Elementary and Secondary Education Community Projects			4,912,054
Indiana Department of Education			
21st Century Community Learning Centers	84.287	00000000000000000006166	119,759
21st Century Community Learning Centers	84.287	00000000000000000073359	151,442
Total 21st Century Community Learning Centers			271,201
Total U.S. Department of Education Programs			5,183,255
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Central Indiana Council on Aging			
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	The John Boner Center Title III-D	2,284
Central Indiana Council on Aging			
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	The John Boner Center Title III-B Amend	11,245
Indiana Department of Health-LifeSmart Youth			
Teenage Pregnancy Prevention Program	93.297	1 TP1AH000241-01-00	15,413
Indiana Housing & Community Development Authority			
Low-Income Home Energy Assistance	93.568	LI-024-026	281,772
Low-Income Home Energy Assistance	93.568	LI-ES-023-026 Amend	170,974
Low-Income Home Energy Assistance	93.568	LI-023-026 Amend 2	1,321,050
Total Low-Income Home Energy Assistance			1,773,796
Community Services Block Grant Discretionary Awards	93.570		693,525
Total U.S. Department of Health and Human Services Programs			2,496,263
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE			
AmeriCorps Volunteers in Service to America	94.013		23,541
Total Corporation for National and Community Service Programs			23,541
Total expenditures of federal awards			$ 17,688,750

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes federal grant activity of the Center and BP under programs of the federal government for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Center and BP, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Center and BP.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. INDIRECT COST RATE

The Center and BP have elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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Greenwalt CPAs, Inc.
5342 W. Vermont Street
Indianapolis, IN 46224
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GREENWALT CPAs

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with Government Auditing Standards

Independent Auditors' Report

To the Board of Directors of The
John H. Boner Community Center, Inc.
d/b/a John Boner Neighborhood Centers and Subsidiaries:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States of America (Government Auditing Standards), the consolidated financial statements of The John H. Boner Community Center, Inc. d/b/a John Boner Neighborhood Centers and Subsidiaries (collectively, the Organization), which comprise the consolidated statement of financial position as of December 31, 2023, and the related consolidated statements of activities, changes in net assets, and cash flows for the year ended, and the related notes to consolidated financial statements, and have issued our report thereon dated September 25, 2024. Our report includes a reference to other auditors who audited the financial statements of Jefferson Apartments, LP, The Union at Thomas Gregg, LP, Indy East Homes, LP, Byrne Court, LP, and New Life Manor, LP, as described in our report on the Organization's consolidated financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's consolidated financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs reported as item 2023 – 001, that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards and which is described in the accompanying schedule of findings and questioned costs as item 2023 – 001.

Report on Compliance and Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on the Organization's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Organization's response was not subject to the other auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Greenwalt CPAs, Inc.

September 25, 2024

PH 317 241 2999
FAX 317 240 4485

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5342 W. Vermont Street
Indianapolis, IN 46224
www.greenwaltcpas.com

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of The
John H. Boner Community Center, Inc.
d/b/a John Boner Neighborhood Centers and Subsidiaries:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited The John H. Boner Community Center, Inc. d/b/a John Boner Neighborhood Centers and Subsidiaries' (collectively, the Organization) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended December 31, 2023. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States of America (Government Auditing Standards); and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Other Matter – Federal Expenditures Not Included in the Compliance Audit

The Organization's basic consolidated financial statements include the operations of Byrne, LP and NLM, LP, which expended $261,812 and $261,201, respectively, in federal awards which is not included in the

Organization's schedule of expenditures of federal awards during the year ended December 31, 2023. Our compliance audit, described in the "Opinion on Each Major Federal Program," did not include the operations of Byrne, LP and NLM, LP because the entity engaged other auditors to perform an audit of compliance.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which are required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2023 – 001. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the Organization's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023 - 001 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the Organization's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Greenwalt CPAs, Inc.

September 25, 2024

A. SUMMARY OF AUDIT RESULTS

Financial Statements

1 Type of auditors' report issued on whether the consolidated financial statements were prepared in accordance with Generally Accepted Accounting Principles (GAAP):	Unmodified	
2 Internal control over financial reporting:		
Material weakness(es) identified?	_______yes	___X___no
Significant deficiency(ies) identified?	___X___yes	_______none reported
3 Noncompliance material to financial statements noted?	_______yes	___X___no

Federal Awards

4 Internal control over major federal programs:		
Material weakness(es) identified?	_______yes	___X___no
Significant deficiency(ies) identified?	___X___yes	_______none reported
5 Type of auditors' report issued on compliance for major federal programs:	Unmodified	
6 Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	___X___yes	________no

7 Identification of major programs:

Assistance Listing Numbers	Name of Federal Program or Cluster
21.023	Emergency Rental Assistance Program
84.215J	Full Service Community Schools Program
84.215N	Promise Neighborhoods
93.568	Low-Income Home Energy Assistance

8 Dollar threshold used to distinguish between type A and type B programs:	$ 750,000	
9 Auditee qualified as low-risk auditee?	___X___yes	_______no

B. FINDINGS - FINANCIAL STATEMENT AUDIT

FINDING 2023-001: See below

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM AUDIT

FINDING 2023-001:
US DEPARTMENT OF EDUCATION, Promise Neighborhoods, 84.215N, for the year ended December 31, 2023

Criteria: Pursuant to US GAAP, expenditures must be recorded in the period for which the expenses are incurred.

Condition: The Center received an invoice for 2022 expenditures during the 2023 fiscal period. These expenses were not accrued for as of December 31, 2022.

Cause: The independent contractor for which the Center utilized to perform services related to the Promise Neighborhoods did not timely reconcile financial records nor bill the Center timely.

Effect: This resulted in reporting $220,695 of the Center's expenditures under the federal award from 2022 in the 2023 Schedule.

Questioned Costs: None.

Recommendation: We recommend that management establish a reconciliation process for all substantial grants to be completed within the first couple of months of the following year to identify potential differences and issues. This should include the inquiry of independent contractors and subrecipients as to unbilled services.

Views of Responsible Officials: See attached corrective action plan.

JOHN BONER NEIGHBORHOOD CENTERS

JBNCENTERS.ORG • PH: 317.633.8210
2236 EAST 10TH STREET • INDIANAPOLIS, IN 46201

CORRECTIVE ACTION PLAN

September 24, 2024

To: U.S. Department of Education

The John H. Boner Community Center, Inc. d/b/a John Boner Neighborhood Centers and Subsidiaries respectfully submits the following corrective action plan for the year ended December 31, 2023.

Name and address of independent public accounting firm:
Greenwalt CPAs, Inc.
5342 West Vermont Street
Indianapolis, IN 46224

Audit period:
The findings from the year ended 2023 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM AUDIT

SIGNIFICANT DEFICIENCY

2023 – 001

US DEPARTMENT OF EDUCATION. Promise Neighborhoods. 84.215N for the year ended December 31, 2023.

The Center received an independent contractor invoice in 2023 for services performed in 2022. This resulted in the reporting of $220,695 of the Center's 2022 federal award expenditures in the 2023 Schedule.

Recommendation: We recommend that management establish a reconciliation process for all substantial grants to be completed within the first couple of months of the following year to identify potential differences and issues. This should include the inquiry of independent contractors and subrecipients as to unbilled services.

Action Taken: We concur with the recommendation. Effective fiscal year 2024, management has established a reconciliation process to track contractor and vendor billings. This will include the inquiry of independent contractors and subrecipients as to unbilled services at fiscal year-end.

If the U.S. Department of Education has questions regarding this plan, please call James Taylor 317 808-2300.

Sincerely yours,

James Taylor, CEO