Inperium, Inc.

Consolidated Financial Statements and
Supplementary Information

Years Ended June 30, 2021 and 2020
with Independent Auditor's Report

MaherDuessel

INPERIUM, INC.

YEARS ENDED JUNE 30, 2021 AND 2020

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MaherDuessel

Independent Auditor's Report

Board of Directors
Inperium, Inc.

We have audited the accompanying consolidated financial statements of Inperium, Inc. (nonprofit organization) and affiliates, which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Inperium, Inc. and affiliates as of June 30, 2021 and 2020, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 2 to the financial statements, the Organization, Inc. has adopted the accounting provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, "*Revenue from contracts with Customers (Topic 606).*" Our opinion is not modified with respect to this matter.

Report on Supplementary Information

Our audit were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information on pages 48 through 63 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 information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Maher Duessel

Harrisburg, Pennsylvania
December 21, 2021

INPERIUM, INC.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2021 and 2020

	2021	2020
Assets		
Current assets:		
Cash and cash equivalents	$ 27,145,468	$ 28,228,838
Accounts receivable	17,015,168	13,463,931
Inventory	125,130	20,428
Prepaid expenses	1,090,073	1,082,346
Total current assets	45,375,839	42,795,543
Land, buildings, leasehold improvements, and equipment:		
Land and buildings	67,498,725	55,615,005
Computer equipment	1,321,882	1,131,457
Furniture and fixtures	1,196,432	1,087,401
Leasehold improvements	3,055,089	3,048,338
Office equipment	1,091,880	800,038
Transportation equipment	2,648,119	2,335,371
Construction in process	146,353	36,046
	76,958,480	64,053,656
Less: accumulated depreciation	(9,909,501)	(8,066,930)
Net land, buildings, leasehold improvements, and equipment	67,048,979	55,986,726
Other assets:		
Security deposits	198,674	196,526
Loan receivable	146,817	22,274
Goodwill	1,449,995	4,230,265
Investments	1,989,451	1,454,960
Beneficial interests and charitable remainder trust	3,170,200	2,536,552
Total other assets	6,955,137	8,440,577
Total Assets	$ 119,379,955	$ 107,222,846
Liabilities and Net Assets		
Liabilities:		
Current liabilities:		
Accounts payable	$ 8,890,248	$ 4,467,101
Refundable advance	2,808,018	3,518,034
Salaries and wages payable	7,947,831	6,463,408
Payroll taxes and amounts withheld from employees	105,871	139,121
Other current liabilities	7,553,349	3,090,228
Current portion of capital lease obligation	-	34,996
Current portion of long-term debt	1,647,644	1,885,469
Total current liabilities	28,952,961	19,598,357
Long-term liabilities:		
Refundable advances - long-term	2,280,399	2,307,987
Other long term Liabilities	199,100	846,530
Long-term debt (net of financing costs)	29,028,620	32,349,626
Total long-term liabilities	31,508,119	35,504,143
Total Liabilities	60,461,080	55,102,500
Net Assets:		
Without donor restrictions	54,747,374	48,878,626
With donor restrictions	4,171,501	3,241,720
Total net assets	58,918,875	52,120,346
Total Liabilities and Net Assets	$ 119,379,955	$ 107,222,846

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

INPERIUM, INC.

CONSOLIDATED STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2021 and 2020

	2021			2020		
Public Support, Revenues, Gains, and Other Support	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Contract revenue	$ 126,017,592	$ -	$ 126,017,592	$ 118,544,020	$ -	$ 118,544,020
Contributions/grants	7,161,116	394,556	7,555,672	7,869,522	191,398	8,060,920
Client fees	4,688,182	-	4,688,182	4,479,228	-	4,479,228
Other program fees	2,006,244	-	2,006,244	1,737,273	-	1,737,273
Other income	2,645,213	-	2,645,213	976,121	(59,907)	916,214
Interest income	184,001	-	184,001	168,407	-	168,407
COVID Revenue	10,007,634	-	10,007,634	9,332,278	-	9,332,278
Inherent contributions of net assets from affiliates	3,004,591	-	3,004,591	4,630,948	-	4,630,948
Sales (net discounts)	3,537,620	-	3,537,620	2,272,026	-	2,272,026
Net assets released from restriction	126,340	(126,340)	-	215,914	(215,914)	-
Total public support, revenues, gains, and other support	159,378,533	268,216	159,646,749	150,225,737	(84,423)	150,141,314
Expenses:						
Program	129,536,562	-	129,536,562	116,921,251	-	116,921,251
Management and general	21,656,792	-	21,656,792	17,660,731	-	17,660,731
Fundraising	509,609	-	509,609	641,957	-	641,957
Total expenses	151,702,963	-	151,702,963	135,223,939	-	135,223,939
Change in net assets before non-operating gain(loss)	7,675,570	268,216	7,943,786	15,001,798	(84,423)	14,917,375
Non-Operating Loss						
Non-operating gains(losses)	(1,806,822)	661,565	(1,145,257)	(1,665,167)	-	(1,665,167)
Total non-operating gain(loss)	(1,806,822)	661,565	(1,145,257)	(1,665,167)	-	(1,665,167)
Change in net assets after non-operating gain(loss)	5,868,748	929,781	6,798,529	13,336,631	(84,423)	13,252,208
Net Assets:						
Beginning of year	48,878,626	3,241,720	52,120,346	35,541,995	3,326,143	38,868,138
End of year	$ 54,747,374	$ 4,171,501	$ 58,918,875	$ 48,878,626	$ 3,241,720	$ 52,120,346

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

INPERIUM, INC.

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED JUNE 30, 2021 and 2020

	2021				2020			
	Program	Management and General	Fundraising	Total	Program	Management and General	Fundraising	Total
Expenses:								
Payroll	$ 78,059,934	$ 10,840,935	$ 212,784	$ 89,113,653	$ 71,544,399	$ 9,496,801	$ 190,730	$ 81,231,930
Payroll taxes and employee benefits	18,290,596	1,806,736	28,238	20,125,570	15,133,764	1,893,154	31,611	17,058,529
Total payroll and related expenses	96,350,530	12,647,671	241,022	109,239,223	86,678,163	11,389,955	222,341	98,290,459
Client transportation	1,604,663	106,519	1,013	1,712,195	2,058,795	166,101	136	2,225,032
Communications	1,185,228	240,309	10,991	1,436,528	1,114,966	412,960	11,239	1,539,165
Contract personnel	10,873,025	2,593,169	19,128	13,485,322	9,311,408	2,924,163	19,231	12,254,802
Housekeeping expense	2,343,749	-	-	2,343,749	2,285,521	-	-	2,285,521
Insurance expense	1,942,742	60,035	430	2,003,207	1,381,448	81,898	139	1,463,485
Interest expense	134,555	515,465	63,915	713,935	191,334	784,430	139,425	1,115,189
Maintenance and repairs	2,595,361	79,550	194	2,675,105	2,109,659	164,595	1,069	2,275,323
Rent expense	3,292,291	284,909	359	3,577,559	2,893,538	319,452	2,468	3,215,458
Supplies and operating expenses	3,283,519	2,860,989	171,293	6,315,801	4,954,542	1,259,469	244,934	6,458,945
Utilities	2,105,002	54,946	356	2,160,304	1,870,577	56,809	914	1,928,300
Total expenses before depreciation	125,710,665	19,443,562	508,701	145,662,928	114,849,951	17,559,832	641,896	133,051,679
Depreciation	3,825,897	2,213,230	908	6,040,035	2,071,300	100,899	61	2,172,260
Total expenses	$ 129,536,562	$ 21,656,792	$ 509,609	$ 151,702,963	$ 116,921,251	$ 17,660,731	$ 641,957	$ 135,223,939

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

INPERIUM, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2021 and 2020

	2021	2020
Cash Flows From Operating Activities:		
Increase in net assets	$ 6,798,529	$ 13,252,208
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities:		
Depreciation	6,040,035	2,172,260
(Gain) loss of sale of assets	116,365	33,787
Forgiveness of PPP Loans	(4,400,120)	(5,314,372)
Unrealized (gain) loss on interest rate swap agreements	(690,244)	690,244
Contribution from affiliation	(3,004,591)	(4,630,948)
Write off of deferred financing fees	-	184,266
Change in:		
Accounts receivable	(3,465,112)	3,993,590
Prepaid expenses	(361)	508,594
Inventory	(104,702)	(1,710)
Other assets	167,193	1,593,974
Accounts payable	4,291,012	(85,393)
Other current liabilities	(783,503)	(97,303)
Net cash provided by operating activities	4,964,501	12,299,197
Cash Flows From Investing Activities:		
Proceeds from sale of assets	2,797,497	37,140
Assets acquired through affiliations	(14,132,550)	(1,592,803)
Purchase of:		
Land and buildings	(181,350)	(1,008,205)
Computer equipment	(172,303)	(346,439)
Furniture and fixtures	(109,029)	(120,603)
Leasehold improvements	(49,110)	(286,834)
Office equipment	(5,255)	(14,761)
Transportation equipment	(655,188)	(16,119)
Net cash provided by (used in) investing activities	(12,507,288)	(3,348,624)
Cash Flows From Financing Activities:		
Net borrowings (repayment) on line of credit	-	(6,128,351)
Borrowings on long-term debt	-	30,198,018
PPP loans	8,717,500	8,404,600
Unpaid surplus/contract payments	-	512,943
Repayment of refundable advance	-	(38,572)
Repayment of capital lease debt	(34,996)	(37,462)
Repayment of long-term debt	(2,223,087)	(20,544,338)
Net cash provided by (used in) financing activities	6,459,417	12,366,838
Net Increase in Cash and Cash Equivalents	(1,083,370)	21,317,411
Cash and Cash Equivalents:		
Beginning of year	28,228,838	6,911,427
End of year	$ 27,145,468	$ 28,228,838
Supplemental Disclosures of Cash Flow Information:		
Cash paid during the year for interest	$ 705,274	$ 957,656

The Company affiliated with various companies during fiscal years ending June 30, 2021 and 2020, see Note 14 for details. In conjunction with the acquisitions, liabilities were assumed and a contribution was received as follows:

	2021	2020
Fair value of assets acquired	$ 15,236,651	$ 13,273,058
Liabilities assumed	(12,232,060)	(8,642,100)
Contribution received in acquisition	$ 3,004,591	$ 4,630,958

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

1. Nature of the Business

These consolidated financial statements for the year ended June 30, 2021 and 2020 include the accounts and operations of Inperium, Inc. (the Company), which consists of operations from the entities below:

The Company's purpose is to provide management oversight, governance, and support to allow its affiliates to fulfill their respective mission and direction in the field of behavioral health.

Inperium Inperium operates as a consolidator, primarily for not-for profit enterprises, in order to enable them to efficiently and effectively leverage financial, technological and human resources in furtherance of their own unique mission.

Apis Services, Inc. (APIS) APIS is a supporting organization under section 509(a)(3) of the internal revenue code and provides operational, management, and administrative services to organizations in fulfilling their respective missions.

Supportive Concepts for Families, Inc. (SCFFI) SCFFI acts as the parent company for its subsidiaries as well as providing program services for intellectually and developmentally disabled individuals in multiple counties throughout the Commonwealth of Pennsylvania (Commonwealth). SCFFI is incorporated in the Commonwealth as a nonprofit entity.

Person Directed Clinical Services, LLC dba Person Driven Clinical Solutions (PDCS) PDCS is a Pennsylvania Limited Liability Company with nonprofit status whose sole member is SCFFI. PDCS is a qualified provider of Behavioral Support Services to individuals with Mental Health / Intellectual Developmental Disabilities.

Harmonycrest Personal Care Services, LLC (Harmonycrest) Harmonycrest is a Pennsylvania Limited Liability Company with nonprofit status whose sole member is SCFFI. Harmonycrest offers Personal Care Home services in a well-maintained home located in a quiet, country setting in Berks County. The home is licensed and regulated by the Pennsylvania Department of Human Services, Bureau of Human Services Licensing, under 55 PA. Code Chapter 2600 regulations.

Fortis Holdings, Inc. (Fortis) Fortis is a for profit "S" corporation and is wholly owned by SCFFI. Fortis Holdings acts as the holding company for Fortis Housing Services, LLC. Fortis Holdings was incorporated for the primary purpose to create common shares in a for-profit entity to support the Company's newly created Employee Stock Ownership Program (ESOP). See Retirement Plan Note 11.

Fortis Housing Services, LLC (Fortis Housing) Fortis Housing was formed as a Pennsylvania Limited Liability Company and its sole member is Fortis Holdings. Fortis Housing was formed to hold real estate and support potential contributions made to the ESOP.

Inperium Management Services, LLC (IMS) IMS, LLC was formed as a Pennsylvania Limited Liability Company and its sole member is Fortis Holdings. IMS, LLC provides back office services to organizations not affiliated under Inperium.

Sustainable Energy Lighting Solutions, LLC (SELS) SELS is a "for profit" Pennsylvania Limited Liability Company with SCFFI as its sole member. SELS was formed to evaluate, recommend, and implement energy consumption reduction strategies and to provide electrical service needs.

S Automotive & Fleet Services, LLC (SAFS) SAFS is a "for profit" Pennsylvania Limited Liability Company with SCFFI as its sole member. SAFS was formed to create a resource to provide quality auto repair service to the Company's internal fleet, other companies, and the general public.

Alternative Consulting Enterprises, LLC (ACE) ACE was acquired on March 15, 2018 by SCFFI and provides tele-psychiatric outpatient counseling and behavioral health services to members of the community including individuals with mental health and intellectual disabilities.

Community Prevention Partnership of Berks County, Inc.(CPP) Effective January 27, 2016, the Company became sole member of CPP. CPP is a Commonwealth nonprofit organization, which serves Berks County and surrounding communities. The mission of CPP is to make a difference by offering a variety of prevention services that help to address problems and risks associated with: alcohol, tobacco and other drug; violence; teen pregnancy; abuse; crime; school dropout; and other related social issues.

Edison Court, Inc. (ECI) Effective February 24, 2017, the Company became sole member of ECI. ECI is a Commonwealth nonprofit organization that serves Bucks County and surrounding communities. ECI is a community-based treatment center which provides professional training, academic education, inpatient and outpatient rehabilitative treatment, and supportive psychological services.

Inperium of New Jersey, Inc. (INJ) INJ is a New Jersey non-profit corporation of which Inperium, Inc. is the sole member. INJ's purpose is to support Inperium's New Jersey affiliates.

Inperium of New York (INY) INY is a New York non-profit corporation of which Inperium, Inc. is the sole member. INY's purpose is to support Inperium's future New York affiliates.

IRON Recovery and Wellness Center f/k/a New Horizon Treatment Services, Inc. (IRON) Effective October 1, 2017, INJ became sole member of IRON. IRON's mission is to provide rehabilitation services to persons who are dependent on, addicted to, or abusers of opiate drugs, non-opiate base drugs, and substance materials; and engaging in other related and incidental charitable activities. On May 1, 2021, Counseling and Referral Services of Ocean, Inc. (Seashore) merged into IRON. Seashore was a New Jersey nonprofit 501 (C)(3) corporation that operates multiple outpatient substance abuse treatment facilities and provides a continuum of effective mental health, substance abuse, and other counseling and pharmacotherapy services in New Jersey. This merger expands the footprint where the companies can provide quality mental health and substance abuse services throughout New Jersey.

South Jersey Behavioral Health Resources, Inc. (SJBH) Effective September 1, 2018, INJ became sole corporate member of SJBH. SJBH is a private, nonprofit Agency established in 1984. The Agency provides mental health services to the residents of Camden County.

Guidance Center of Camden County Development Corp. (GCENT) GCENT is a New Jersey non-profit corporation that owns real property and operates two boarding homes for the mentally disadvantaged. The Agency is related to SJBH through common control and management.

Youth Services Agency, Inc. (YSA). Effective September 30, 2017, the Company became sole member of YSA. YSA provides a range of services for at-risk youth in the Juvenile Justice Systems within Pennsylvania and the surrounding mid-Atlantic region. On January 1, 2021, YSA merged into ECI. Total assets, liabilities, and net assets in the amounts of $7,052,908, $1,867,398, and $5,185,510 respectively, were assumed by ECI.

Reading Specialists Education Association (RSEA) Effective October 31, 2017, the Company became sole member of RSEA. RSEA is a Commonwealth nonprofit organization whose mission is to provide dedicated professional experience in the design and implementation of programs that address the needs of children and adolescents who have been both victims and perpetrators of domestic violence and sexual abuse.

Affinity Forensic Services, LLC (AFS) Effective October 31, 2017, the Company acquired 100% membership interest of AFS. AFS is a Pennsylvania LLC whose sole member is RSEA. AFS delivers outpatient treatment for victims and perpetrators of sexual abuse to adult and juvenile offenders as well as provides placement for children who are sexual offenders or victims or sexual abuse into foster care rehabilitation.

Alvarium Healthcare, Inc. (Alvarium) Effective February 5, 2018, the Company formed Alvarium. Alvarium is a Pennsylvania nonprofit corporation that provides treatment, support, and care for persons with intellectual and developmental disabilities.

Alvarium Personal Care, LLC. (APC) Effective January 7, 2019, Alvarium became the sole member of APC. APC is a Pennsylvania non-profit limited liability corporation that owns and operates a charitable personal care home.

The Children's Home of Reading (CHOR) and CHOR Youth & Family Services (CHORYFS) Effective November 2, 2017, the Company became the sole member of CHOR. CHOR is the sole member of CHORYFS. CHOR and CHORYFS are private nonprofit organizations. Private contributions and bequests, and earnings on its endowment funds primarily fund CHOR. CHORYFS, an affiliate of CHOR, is primarily funded by fees for services from county children and youth service agencies across the Commonwealth, and a supplement from CHOR which makes up the difference between CHORYFS fee for services and its program expenses. CHORYFS continues to provide a treatment-oriented residential environment for children and teenagers. A variety of programs are provided by CHORYFS including Residential Treatment Facilities, Specialized Foster Care, A Licensed Private Academic School, and various Outpatient Services.

Wake Enterprises, Inc. (WAKE) Effective July 1, 2018 the Company became the sole member of Wake. Wake is a private, IRS Section 501(C)(3) not-for-profit organization that was incorporated in North Carolina on August 15, 1979. Wake provides vocational and social development services to adults who are developmentally disabled. Wake operates primarily in Wake County, North Carolina.

Honeythrive, Inc (HONEY) On June 18, 2019, the company formed HONEY. HONEY is a Pennsylvania nonprofit corporation that will act in the benefit of organizations which hereafter become affiliated with the Corporation, and perform all operational, management, and administrative services in connection with the management and operation of the supported organizations to assist them with fulfilling their respective missions.

Anchors-From Carol (ANCHORS) On July 9, 2019 the Company formed ANCHORS. ANCHORS is a Pennsylvania nonprofit corporation that provides awareness and enrichment to the lives of people and their families in need who are impacted by cancer, illiteracy and learning disabilities.

Crossroads Programs, Inc. (CROSS) Effective August 30, 2019, INJ became the sole member of CROSS, a New Jersey nonprofit. CROSS is a social service agency whose mission is to empower homeless, abandoned, abused, or at-risk youth to lead healthy, productive lives through residential, clinical, and foster care programs.

Advancing Opportunities, Inc. (AO) Effective February 27, 2020, INJ became the sole member of AO, a New Jersey nonprofit. AO provides advocacy, direct support and education to individuals with all types of disabilities and their families via Residential, assistive technology, and/or Employment Services throughout the State of New Jersey.

Ocellus Tech, LLC. (OT) OT, a Pennsylvania limited liability company was formed April 30, 2020 and the sole member is APIS. OT's purpose is to perform certain information technology support, and related services to support the administration, management, and operation of the supported organizations of the Member and to assist such supported Organizations with fulfilling their respective missions.

La Colmena Inperium, Inc. (LCI) LCI, a Texas corporation was formed February 14, 2020 and the sole member is Inperium, Inc. LCI's purpose is to act for the benefit of organizations which hereafter become an affiliate and to perform or cause to be performed all operational, management, and administrative services in connection with the management and operation of the Supported Organizations to assist the Supported Organizations with fulfilling their respective missions.

Conexio Care Services, Inc. (Conexio) Effective June 15, 2021, Conexio, a Delaware corporation was formed because of a bankruptcy purchase made by the Company. The Company is the sole member. Conexio was formed to provide a comprehensive array of healthcare, housing, educational and employment opportunities that help individuals and families achieve their goals and enhance their communities.

Coras Wellness and Behavioral Health, LLC (Coras) Coras, a Delaware limited liability company was formed on June 15, 2021, as a result of a bankruptcy purchase and the sole member is Conexio. This company was formed to provide a comprehensive array of healthcare services, including treatment for substance use and mental health disorders.

2. Summary of Significant Accounting Policies

Consolidation Policy

The Consolidated statements for the years ended June 30, 2021 and 2020 include the accounts of:

Advancing Opportunities, Inc.	Harmonycrest Personal Care Services, LLC
Affinity Forensic Services, LLC	Honeythrive, Inc.
Alternative Consulting Enterprises, LLC	Inperium, Inc.
Alvarium Healthcare, Inc.	Inperium Management Services, LLC
Alvarium Personal Care, LLC	Inperium of New Jersey, Inc.
Anchors-From Carol	Inperium of New York, Inc.
Apis Service, Inc.	Iron Recovery and Wellness Center, Inc.
Children's Home of Reading, Inc.	La Colmena Inperium, Inc.
CHOR Youth and Family Services, Inc.	Ocellus Tech, LLC
Community Prevention Partnership, Inc.	Person Driven Clinical Solutions, LLC
Conexio Care, Inc.	Reading Specialist Educational Association, Inc
Coras Wellness and Behavioral Health, LLC	S. Automotive & Fleet Services, LLC.
Crossroads Programs, Inc.	South Jersey Behavioral Health Resources, Inc.
Edison Court, Inc.	Supportive Concepts for Families, Inc.
Fortis Holdings, Inc.	Sustainable Energy & Lighting Solutions, LLC
Fortis Housing Services, LLC.	Wake Enterprises, Inc.
Guidance Center of Camden Cty Development Corp	Youth Services Agency, Inc.

Conexio Care, Inc. and Coras Wellness and Behavioral Health, LLC were consolidated as of June 30, 2021 and Advancing Opportunities, Inc., Anchors-From Carol, Crossroads Programs, Inc., Honeythrive Inc., La Colmena Inperium, LCC., and Ocellus Tech, LCC were consolidated as of June 30, 2020. Intercompany transactions and balances have been eliminated in the consolidation.

Basis of Accounting and Use of Estimates

The Company prepares its consolidated financial statements on the accrual basis of accounting. The preparation of 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 financial statements and the reported amount of revenue and expense during the reporting period. Accordingly, actual results could differ from those estimates.

The COVID-19 pandemic has created and may continue to create significant uncertainty in macroeconomic conditions, which may cause further business disruptions and adversely impact our results of operations. As a result, certain of our estimates and assumptions require increased judgment and carry a higher degree of variability and volatility. As events continue to develop and additional information becomes available, the Company's financial results could materially differ from those estimates in future periods.

Cash and Cash Equivalents

At various times during the years, the Company had cash balances in excess of the federally insured limit in a deposit accounts at several banks. Cash consists of on-hand petty cash and amounts in the Company's operating bank accounts. The Company considers all short-term investments with a maturity of three months or less to be cash equivalents.

Investments

The Company accounts for investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in nets assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Derivative Financial Instruments

The Company has entered into three interest rate swap agreements, which are considered derivative financial instruments, to manage its interest exposure on its long-term debt. The interest rate swap agreements are reported at fair value on the statements of financial position, and the related changes in fair value are reported in the statements of activities as an unrealized gain (loss) on interest rate swaps.

Inventory

Inventory is recorded at the lower of cost or net realizable value. Inventory on hand was power conditioning units and other inventory held for resale through its SELS subsidiary and food supplies from CHORYFS.

Revenue Recognition

The company is a consolidator of primarily not-for profit enterprises. The company recognizes an inherent contribution in its statement of activities equal to the total net assets of an organization at the time of affiliation.

Fee-for-service revenues are reported at the amount that reflects the consideration to which the Company expects to be entitled for providing services to consumers. Revenue is recognized as the performance obligations are satisfied when services are provided to consumers. The Company does not believe it is required to provide additional services related to revenue being recognized.

There were no revenue processes not completed at the date of the initial application of the Financial Accounting Standards Board Accounting Standards Codification Topic 606, "Revenue from Contracts with Customers." There have been no changes in the significant judgments related to the amount or timing of revenue from these transactions.

Contract Revenues consisted of the following as of June 30, 2021 and 2020:

	2021	2020
IDD/MH - Residential	$ 79,831,301	$ 71,722,791
Child Welfare/Juvenile Justice	19,824,582	18,202,029
Behavioral Health	12,332,367	12,765,853
Adoption/Foster Care	4,098,690	3,987,774
IDD/MH	4,093,356	6,054,041
Education	3,093,059	3,579,614
Drug and Alcohol	2,744,237	2,231,918
Total Contract Revenue	$ 126,017,592	$ 118,544,020

Generally, contracted services rates (fee-for-service) are negotiated with managed care organizations, insurance companies, governmental agencies, and private payers.

A portion of the Company's revenue is derived from cost-reimbursement federal and state governmental contracts and grants, which are conditioned upon certain performance requirements and/or incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Company has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The

Company received cost-reimbursement grants of $5,156,804 and $5,826,021 that have not been recognized at June 30, 2021 and 2020, respectively, because qualifying expenditures have not yet been incurred and recorded as refundable advances.

Governmental grants and contracts are entered into annually and could be significantly changed based upon government spending patterns.

Client fees related to room and board fees are based upon annual room and board contracts signed by the Company's residents. Payment for room and board are billed and recorded as part of revenue monthly by the Company. The performance obligation of providing access to housing is satisfied ratably over the month in which the consumer lives in the Company's home.

Contributions With or Without Donor Restrictions

Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence or nature of any donor restrictions.

Contributions, including unconditional promises to give, are recorded as revenues in the period the promise is made. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. An allowance for uncollectible contributions receivable is provided based upon management's judgment including such factors as prior collection history, type of contribution, and nature of the fund-raising activity.

Contributions and endowment income with donor-imposed restrictions are reported as revenues with donor restrictions and are classified to net assets without donor restrictions when an expense is incurred that satisfies the donor-imposed restriction. Conditional promises to give are not included as support until such times as the conditions are substantially met.

Conditional contributions received by the Company are recorded as refundable advances until the conditions are substantially met. When the conditions are substantially met, the contribution becomes unconditional.

Accounts Receivable

Accounts receivable are reported at their net realizable value. The Company uses the allowance method for uncollectible receivables. Management determines the allowance for doubtful accounts by regularly evaluating payer receivables and considering the payer's financial condition, the accounts receivable aging, timely billing requirement, current economic conditions, prior years' experience, and analysis of specific promises made. The Company charges off account balances after all means of collection have been exhausted and the potential for recovery is considered remote. At June 30, 2021 and 2020, the allowance for doubtful accounts was $276,621 and $385,742, respectively.

Land, Buildings, Leasehold Improvements, and Equipment

Land, buildings, leasehold improvements, and equipment are stated at cost, with a tiered capitalization threshold as follows:

Revenue of affiliates			Threshold
$ -	to	$ 5,000,000	$ 1,000
$ 5,000,001	to	$ 15,000,000	$ 1,500
$ 15,000,001	to	$ 25,000,000	$ 2,500
$ 25,000,001	and greater		$ 5,000

Donations of land, buildings, and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and conditions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Company reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Company reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Buildings and equipment are being depreciated over their estimated useful lives and leasehold improvements are being depreciated based on the life of the underlying lease of the property the improvement relates to by the straight-line method as follows:

Buildings	15 - 39 years
Computer equipment	3 - 5 years
Furniture and fixtures	5 - 10 years
Leasehold improvements	5 - 39 years
Office equipment	3 - 7 years
Transportation equipment	3 - 5 years

Goodwill

The Company amortizes goodwill straight line over a 10 year period but assesses goodwill in accordance with ASU 350 *"Goodwill and Other Intangible Assets,"* and will test impairment during a triggering event. As of June 30, 2021 and 2020 the Company recorded goodwill amortization of $429,831 and $236,534, respectively. At June 30, 2021, the Company experienced triggering events within three Organizations that warranted an impairment loss amounting to $3,367,439. There was no impairment loss recognized for year ended June 30, 2020.

Non-operating gains (losses)

Major Components of non-operating loss as of June 30, 2021 and 2020 are as follows:

	2021	2020
Deferred depreciation write-off	$ -	$ (1,360,098)
Gain/(loss) on sale of assets	(116,365)	469,052
Severance/settlement	(3,095,787)	(586,535)
Unrealized gain(loss) on investments	1,776,261	(764,766)
Contract settlement	278,843	750,000
Other, net	11,791	(172,820)
Total	$ (1,145,257)	$ (1,665,167)

Financial Statement Presentation

The Company is required to report information regarding their financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Net Assets Without Donor Restrictions:

Net assets not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Company. These net assets may be used at the discretion of the Company's management and board of directors.

Net Assets With Donor Restrictions:

Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Company or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

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 to net assets without donor restrictions in the statement of activities.

Donated Materials, Equipment, and Services

Donated materials, equipment, and services have been recorded at their estimated fair value at date of receipt. The Board of Directors donates significant amounts of time to the Company. However, no amounts have been recorded for these services, primarily because they are not specialized services and are not required to be recorded in accordance with generally accepted accounting principles.

Retained Revenue

In accordance with the Pennsylvania Department of Human Services' Mental Health and Mental Retardation Program Fiscal Regulations PA Code Chapter 4300, the Company is eligible to retain net program excess revenues over allowable expenditures. The allowable retained revenue is dependent upon the specific contract of the counties or Pennsylvania Department of Human Services as well as the types of services funded. For the services provided under PA Code Chapter 6100, there is no limitation to retention. It is the policy of the Company to apply this retained revenue to expansion, improvement, or enhancement of its services.

Functional Expense Allocations

The costs of providing program and supporting services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited, based on the methodology which is most appropriate.

Expenses relating to more than one function are allocated to program and supporting services based on employee time estimates, square footage, staff to client ratios based on maximum capacity, or other appropriate usage factors.

Tax Status

The Company contains entities with various tax statuses, either being exempt from federal income taxes, Type II supporting entities, taxable nonprofit, or for profit.

These companies incurred no income tax expense for the years ending June 30, 2021 and 2020. In accordance with accounting principles generally accepted in the United States of America, the Company accounts for uncertain tax positions, if any, as required. Using that guidance, management has determined that there are no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. All are subject to examination by the Internal Revenue Service generally for three years after they are filed.

The tax statuses are as follows:

Company	Internal Revenue Code	Supporting Organization Section 509	Tax Form	Disregarded Entity Under 501(c)(3)
Alvarium Healthcare, Inc.	501(c)(3)		990	
Alvarium Personal Care, LLC	disregarded			AHC
Apis Services, Inc.	501(c)(3)	Type II	990	
Ocellus Tech, LLC	disregarded			APIS
Advancing Opportunities, Inc.	501(c)(3)		990	
Anchors-From Carol	501(c)(3)		990	
Children's Home of Reading, Inc.	501(c)(3)		990	
CHOR Youth and Family Services, Inc.	501(c)(3)		990	
Community Prevention Partnership, Inc.	501(c)(3)		990	
Crossroads Programs, Inc.	501(c)(3)		990	
Edison Court, Inc.	501(c)(3)		990	
Reading Specialist Educational Association, Inc.	501(c)(3)		990	
Affinity Forensic Services, LLC	disregarded			RSEA
Honeythrive, Inc.	501(c)(3)	Type II	990	
Inperium, Inc.	501(c)(3)	Type II	990	
Inperium of New Jersey, Inc.	501(c)(3)	Type II	990	
Iron Recovery and Wellness Center, Inc.	501(c)(3)		990	
South Jersey Behavioral Health Resources, Inc.	501(c)(3)		990	
Guidance Center of Camden Cty Development Corp	501(c)(3)		990	
Wake Enterprises, Inc.	501(c)(3)		990	
Youth Services Agency, Inc.	501(c)(3)		990	
Supportive Concepts for Families, Inc.	501(c)(3)		990	
Alternative Consulting Enterprises, LLC	disregarded			SCFFI
Harmonycrest Personal Care Services, LLC	disregarded			SCFFI
Person Directed Clinical Services, LLC	disregarded			SCFFI
La Colmena Inperium, Inc.	501(c)(3)	Type II	990	
Fortis Holdings, Inc.	Taxable		1120S	
Fortis Housing Services, LLC	disregarded			
Inperium Management Services, LLC	disregarded			
S. Automotive & Fleet Services, LLC	disregarded			
Sustainable Energy & Lighting Solutions, LLC	disregarded			
Inperium of New York, Inc.	Taxable nonprofit corp.		1120	
Conexio Care, Inc.	501(c)(3)		990	
Coras Wellness and Behavioral Health, LLC	Disregarded			Conexio

Compensated Absences:

Inperium and its affiliated companies provide Paid-Time Off (PTO) for all eligible employees. The amount of PTO varies between companies and years of service. PTO is awarded each July 1 for use in the current year. Twenty five percent (25%) of the current year PTO can be carried over into the next fiscal year. However, at no time is remaining PTO paid out upon voluntary or involuntary termination.

SJBH employees are entitled to paid vacation, paid sick, and personal days off depending on job classification, length of service and other factors. Vacation days earned are accrued annually as an expense.

WAKE employees accrue PTO up to 160 hours. Upon termination after more than six months of employment, the unused PTO accrued would be paid to the employee.

The amounts recorded for compensated absences were $768,733 and $600,047 for the years ending June 30, 2021 and 2020, respectively. These amounts are included in accrued salaries and wages payable on the statement of financial position.

Unemployment Compensation Tax

For the majority of its employees, the Company uses the reimbursable method for unemployment tax purposes. The Company has engaged a third-party consultant to handle reimbursements and claims and pays a bond fee as security to the Unemployment Compensation Fund for certain tax obligations for the years ended June 30, 2021 and 2020.

Reclassification

Certain reclassifications have been made to the prior year financial statements in order for them to be in conformity with the current year presentation.

Adopted Pronouncements

The requirements of the following Financial Accounting Standards Board (FASB) Accounting Standards Updated (ASU) were adopted during the year ended June 30, 2021:

ASU 2014-09, *"Revenue from Contracts with Customers (Topic 606)," is effective for the Company's financial statements for year ending June 31, 2021.* This amendment provides guidance for revenue recognition related to contracts involving the transfer of promised goods or services to customers and the related disclosures. This standard was implemented on a retrospective basis. There was no effect on net assets.

Pending Standards Update

ASU 2016-02, *"Leases (Topic 842),"* is effective for the Company's financial statements for fiscal years beginning after December 15, 2021. This amendment will require all lessees to recognize assets and liabilities on the statements of financial position for the rights and obligations created by all leases with terms of more than twelve months. Disclosures also will be required by lessees to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. Management has not yet determined the impact of this amendment on the Company's financial statements.

ASU 2018-15, "*Customers Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement that is a service Contract*," is effective for the Organization's financial statements for the year ending June 30, 2022. This amendment will align the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing costs incurred to develop or obtain internal-use software. Management has not yet determined the impact of this amendment on the Company's financial statements.

ASU 2016-13 and ASU 2019-05, "*Financial Instruments-Credit Losses (Topic 326)" Measurement of Credit Losses on Financial Instruments*," is effective for the financial statements for the year ending June 30, 2024. This amendment requires a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. This includes loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash. Management has not yet determined the impact of this amendment on the Company's financial statements.

Subsequent Events

Subsequent events have been evaluated through the Independent Auditor's Report date, which is the date the consolidated financial statements were available to be issued.

3. Investments

The following table represents investments held at June 30:

	2021		2020	
	Cost/Book Value	Fair Value	Cost/Book Value	Fair Value
Cash and equivalents	$ 78,387	$ 78,387	$ 315,572	$ 315,572
Common stock	705,709	974,775	581,367	719,020
Equity mutual funds	718,488	926,275	381,098	392,935
REITs and commodities	7,985	10,014	22,908	27,433
	$ 1,510,569	$ 1,989,451	$ 1,300,945	$ 1,454,960

Investment return is either with or without donor restrictions as follows at June 30:

	2021	2020
With Donor Restrictions:		
Interest income for educational purposes	$ 1,371	$ 1,555
Realized gain on investments	2,998	2,917
Unrealized gain/(loss) on investments	24,563	(3,074)
Without Donor Restrictions:		
Interest and dividend income	26,062	17,614
Realized gain on investments	188,009	104,329
Unrealized gain/(loss) on investments	294,137	(114,690)
	$ 537,140	$ 8,651

Accounting principles generally accepted in the United States of America establish a framework for measuring fair value. The primary effect of fair value measurement on the Company was to expand the required disclosures pertaining to the methods used to determine fair values.

That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under accounting principles generally accepted in the United States of America:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Company has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets and liabilities in active markets;
- Quoted prices for identical or similar assets and liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2021.

Long-Term Investments

Investment advisors hold the investments of the Company in accordance with the investment policy of the Company. The policy restricts the investments to cash, fixed income, and equity, and options which are publicly traded, with limited funds available for alternative investments. The investments are valued at the quoted market value for shares held at year-end.

Beneficial Interests in Perpetual Trusts

The Company is the beneficiary of several trusts that are managed by two banks. The banks hold the investments in diversified and balanced portfolios consisting of cash and certificates of deposit, corporate and government debt securities, equity securities and mutual funds, fixed income mutual funds, and limited investment partnerships. These investments are valued by the trust managers based on the quoted market prices for shares held or current bid price of funds held.

The methods described previously may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes its reliance on the valuation methods of the banks are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Interest Rate Swaps

Interest rate swap agreements- Fair value of the interest rate swaps are based on quoted market prices when available, or externally developed valuation models using forward-looking assumptions of interest rates and the resulting effect on the underlying cash flows of the interest rate swaps. Adjustments are not made for nonperformance risk on behalf of either party.

The following tables set forth by level, within the fair value hierarchy, the Company's assets at fair value as of June 30:

	2021			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 78,387	$ -	$ -	$ 78,387
Equity securities	974,775	-	-	974,775
Equity mutal funds	926,275	-	-	926,275
REITs and commodities	-		10,014	10,014
Benficial interests in perpetual trusts	-	-	3,170,200	3,170,200
Total	$ 1,979,437	$ -	$ 3,180,214	$ 5,159,651
Assets report at fair value				
Interest rate swap	$ -	$ -	$ 124,922	$ 124,922

	2020			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 315,572	$ -	$ -	$ 315,572
Equity securities	719,020	-	-	719,020
Equity mutal funds	392,935	-	-	392,935
REITs and commodities	-		27,433	27,433
Benficial interests in perpetual trusts	-	-	2,536,552	2,536,552
Total	$ 1,427,527	$ -	$ 2,563,985	$ 3,991,512
Liabilities report at fair value				
Interest rate swap	$ -	$ -	$ 690,244	$ 690,244

4. Beneficial Interest in Perpetual Trusts

CHOR is a beneficiary under several trusts administered by two banks. CHOR recorded its proportionate share of the fair value of the principal of the trusts when received. Total value recorded at June 30, 2021 and 2020 was $3,170,200, and $2,536,552, respectively. Annual distributions from the trusts have been recorded as beneficial trust income in net assets without donor restriction and were $131,837 and $122,904 in 2021 and 2020 respectively. CHOR is named beneficiary of an irrevocable charitable remainder trust. Based on the beneficiary's life expectancy and a five percent payout rate, the present value of the future benefit expected to be received by CHOR is estimated to be $21,296 and $17,98 as of June 30, 2021 and 2020, respectively. The amount of this charitable remainder trust is included in the total value above.

5. Self-Insured Medical

Effective July 1, 2017, the Company has a self-insured medical plan for the benefit of its employees. The health insurance risks are mitigated by aggregate and individual stop loss insurance policies purchased by the Company. The policies limit the Company's loss to $200,000 per individual employee for the years ending June 30, 2021 and 2020. Health insurance claims are administered by a third-party administrator. The Company's expense under the self-insured plan was approximately $7,629,316 and $6,153,764 for the year ended June 30, 2021 and 2020, respectively. Management estimates any liability for health insurance claims that have been incurred (including both claims reported, as well as those that have been incurred but not yet reported). As of June 30, 2021, and 2020, the Company had accrued $906,918 and $856,511, respectively, for unpaid claims incurred but not yet received as of year-end.

6. Revolving Line of Credit

APIS has a commitment from a bank for a revolving line of credit of $10,000,000 (caped at 80% of qualified accounts receivable) for the years ended June 30, 2021 and 2020. This commitment is secured by substantially all assets of the Company. Monthly interest payments are required at the one month LIBOR rate plus 175 basis points, 1.84% and 1.91% for the years ended June 30, 2021 and 2020, respectively. Principal is due on demand at the lender's sole and absolute discretion. APIS had no balance on the line of credit at June 30, 2021 and 2020.

7. Long-Term Debt

The Company's obligation under notes payable consists of the following:

	2021	2020
The Company entered into a master trust indenture (MTI) with a bank where all companies, except for WAKE, are co-borrowers and have notes payable with a bank. The MTI was set up in three different loan facilities and each facility entered into an interest rate swap agreement. The three facilities are as follows:		
On April 17, 2020, the Company has a note payable with a bank with varying monthly installments outlined in a note amortization table. The Company entered into a 7 year swap with an interest rate locked at 2.14%. Interest is charged and accrued at a fluctuating rate of interest equal to the sum obtained by adding LIBOR plus 1.35% which is adjusted on the first day of each interest period. Repayment of this loan is made in monthly payments of principal in accordance with the amortization schedule provided in the loan document plus accrued interest on the outstanding principal balance of the first term loan at the adjusted LIBOR rate. The agreement matures and a balloon payment is to be made on April 15, 2027. The note is collateralized by various real estate owned by the various members of the obligated group.	$ 22,259,000	$ 23,191,000
On April 17, 2020, the Company has a note payable with a bank with varying monthly installments outlined in a note amortization table. The Company entered into a 7 year swap with an interest rate locked at 2.14%. Interest is charged and accrued at a fluctuating rate of interest equal to the sum obtained by adding LIBOR plus 1.35% which is adjusted on the first day of each interest period. Repayment of this loan is made in monthly payments of principal in accordance with the amortization schedule provided in the loan document plus accrued interest on the outstanding principal balance of the first term loan at the adjusted LIBOR rate. The agreement matures and a balloon payment is to be made on April 15, 2027. The note is collateralized by various real estate owned by the various members of the obligated group.	1,703,000	1,775,000

	2021	2020
On April 17, 2020, the Company has a note payable with a bank with varying monthly installments outlined in a note amortization table. The Company entered into a 5 year swap with an interest rate locked at 1.91%. Interest is charged and accrued at a fluctuating rate of interest equal to the sum obtained by adding LIBOR plus 1.35% which is adjusted on the first day of each interest period. Repayment of this loan is made in monthly payments of principal in accordance with the amortization schedule provided in the loan document plus accrued interest on the outstanding principal balance of the first term loan at the adjusted LIBOR rate. The agreement matures and a balloon payment is to be made on April 15, 20217. The note is collateralized by various members of the obligated group.	1,872,000	2,334,000
Inperium has a note payable to a lender in monthly installments of principal and interest of $2,544. this note is secured by certain equipment and matures in December 2024.	67,287	91,771
YSA has various vehicle loans. Loans with Ford Credit are payable in monthly installments between 48 to 60 months, including varying interest rates from 7.89 to 8.49%. A single loan with Ally Bank, maturing in May 2020, is payable in monthly installments over 48 months at 7.85%.	-	33,786
SCFFI has a note payable to a private lender in annual installments of $1000,000. There is no interest being charged and the note is unsecured. The loan was settled during a negoitation process and was paid out in July 2021.	500,000	500,000

	2021	2020
SCFFI has various notes payable to a bank that include various interest rates. These notes are secured by the vehicles and mature between September 2019 and May 2021.	-	85,536
SJBH mortgages payable consist of obligations under the terms of the New Jersey Department of Human Services Division of Mental Health Capital Funding Agreements. The agreement provides for non-interest bearing demand notes secured by first mortgages on properties. Amounts are due when properties cease to be used for its intended purpose or at varying times ranging from March 2023 to July 2037.	1,680,654	1,680,654
GCENT mortgages principal payable to the Department of Housing and Urban Development due monthly at $3,755, including interest at 9.250%, collateralized by the real property. The loan matures in 2025.	120,502	152,784
IRON has a note payable to National Realty Development Corporation, due monthly at $234, including interest at 5%. The note is unsecured and matures October 2023.	7,024	-
Crossroads has a note payable to a lender in monthly installments of principal and interest of $201. This note is secured by the equipment and matures in August of 2021.	855	2,720
WAKE had sold a property and applied the proceeds to outstanding debt during the year ending June 30, 2021. The note payable was reamortized by the bank. The reamortized note payable is paid in monthly installments of principal and interest of $4,810. This note is secured by the real estate and matures September 2024.	729,597	2,537,291

	2021	2020
Crossroads, Inc. received two purchase money mortgages with New Jersey Department of Human Services for two grants/loans totaling $100,000 to purchase two homes used for Rites of Passage transitional housing programs. Additional funding of $16,396 was granted for improvements to each home. The oustanding balance is not to be amortized, nor is there a monthly payment agaisnt the principal balance due. The outstanding balance is due and payable only upon the sale of the properties or upon the cessation of the use of the properties as transitional housing facilities.	116,396	116,396
AO has ten mortgages through New Jersey Housing and Mortgage Finance Agency; due between November 2042 and May 2052; without interest and collaterialized by the respective parcels of real estate; no monthly principal payments are required under the mortgages and the properties are subject to deed restrictions and other items described in the mortgage security agreements.	2,184,619	2,184,619
AO has a mortgage payable to a bank in monthly installments of $738, including interest at 5.50%. The note is due in October 2023 and is secured by the real estate.	-	101,526
AO has various vehicle loans payable in monthly installements totaling $5,852, including interest ranging from 0.09%-5.99% through July 2024. The loans are collateralized by the vehicles.	119,782	178,185
Total outstanding debt	31,360,716	34,965,268
Less: deferred financing costs	(684,452)	(730,173)
Subtotal:	30,676,264	34,235,095
Less current portion of debt	(1,647,644)	(1,885,469)
Total long-term debt	29,028,620	32,349,626

The Master Trust Indenture (MTI) for the years ending 2021 and 2020 term loans requires the Company to maintain certain debt covenants. As of June 30, 2021 and 2020, these debt covenants were met.

Current maturities of long-term debt are as follows for the year ended June 30, 2021:

2022	$	2,147,644
2023		1,682,081
2024		1,677,725
2025		2,171,597
2026		1,128,000
2027-2028		18,072,000
	$	26,879,047

In addition to the above maturities, SJBH, Crossroads, AO, and SCFFI have loans which do not have repayment terms. Most of these are with government agencies that only require payment if the property no longer is utilized in accordance with programs offered by the Company. As of June 30, 2021, the Company had debt in the amount of $4,481,669 which did not have maturity dates.

Loan origination fees consisted of the following at June 30, 2021 and 2020:

	2021	2020
Loan origination fees	$ 1,004,783	$ 1,004,783
Accumulated amortization	(320,331)	(274,611)
Loan origination fees, net	$ 684,452	$ 730,172

Loan cost amortization was $45,720 and $235,015 for the years ended June 30, 2021 and 2020, respectively.

The Company entered into three interest rate swap agreements in connection with its 2020 long term loans payable which are considered derivative financial instruments. The counterparty for the swap agreements is SunTrust bank. The objective of the swap agreement was to minimize the risks associated with financing activities by reducing the impact of changes in the interest rates on variable rate debt. The swap agreements were not designated as hedging instruments. The swap agreements were contracts to exchange variable rate for fixed rate interest payments over the life of the agreements without the exchange of the underlying notional amount. The notional amount of the swap agreements was used to measure the interest to be paid or received and did not represent the amount of exposure to credit loss. Exposure to credit loss was limited to the receivable amount, if any, which may have been generated as a result of the swap agreements. Management believes that losses related to credit risk were remote. The net cash paid or received under the swap agreements was recognized as an adjustment to interest expense.

The Company does not utilize interest rate swaps or other financial instruments for trading or other speculative purposes.

At June 30, 2021, the Company has the following interest rate swaps in effect:

Effective notional amount	$ 22,259,000	$ 1,703,000	$ 1,872,000
Strike Rate	2.14%	2.14%	1.91%
Period	April 2020 to April 2027	April 2020 to April 2027	April 2020 to April 2027

At June 30, 2020, the Company has the following interest rate swaps in effect:

Effective notional amount	$ 23,191,000	$ 1,775,000	$ 2,334,000
Strike Rate	2.12%	2.12%	1.91%
Period	April 2020 to April 2027	April 2020 to April 2027	April 2020 to April 2025

The fair value of the swap agreements was an interest rate swap receivable of $124,922 as of June 30, 2021 included in loan receivable and an interest rate swap payable of $690,244 as of June 30, 2020 and was included in other long-term liabilities in the consolidated statement of net position.

8. Due to State of New Jersey

New Jersey DHS issued a letter to IRON on March 27, 2017 indicating $1,203,727 was due to New Jersey based on contract payments made to the Organization (IRON) in excess of supported or verifiable expenditures related to grant years 2013, 2014, and 2015, as well as unspent funds related to a capital expenditure grant in 2006.

As a result of the IRON’s affiliation with the Company, the State of New Jersey agreed in September 2017 that the overpayment would be fully satisfied exclusively by IRON’s payment of $308,579 in equal quarterly payments over a 24-month period beginning on or before November 1, 2017 and concluding August 1, 2019.

Payments totaling $83,045 were made during the year ended June 30, 2020.

9. Refundable Advance and Deferred Revenue

Refundable advances amounted to $5,088,417 and $5,826,021 as of June 30, 2021 and 2020. SJBH has an amount due of $2,572,942 and $1,965,892 as of June 30, 2021 and 2020, respectively. This represents amounts received from the State of New Jersey in advance to fund the operations of state contracts. Advanced funds in excess of the contract allowable ceiling are due back to the state of New Jersey. Any recovery of funds will be requested by the State upon evaluation of the final reports. Repayments are due within 30 days of State request. Amounts represent revenues collected but not earned. The consolidated breakdown is as follows:

Company	2021	2020
SCFFI	$ -	$ 620,311
CPP	-	46,556
CHOR	3,504	-
CHORYFS	61,432	70,693
ACE	22,650	164,002
ECI	66,687	-
Affinity	765	-
IMS, LLC	-	165,825
IRON	44,473	155,279
SJBH	4,853,341	4,547,251
AO	16,565	33,291
Cross	19,000	17,150
Wake	-	5,663
Total	$ 5,088,417	$ 5,826,021

10. Deferred Funding of Depreciation on Facilities acquired with State of New Jersey, Department of Human Services Capital Funding Agreements

SJBH records depreciation as a functional expense on facilities acquired with State of New Jersey Department of Human Services Capital Funding Agreements. The capital funding agreements provide for SJBH's ownership and use of the related properties through the agreement periods, at which time SJBH may satisfy its obligation under the capital funding agreements by returning the related properties without further cost. In providing such facilities, the Department of Human Services is, in substance, subsidizing the depreciation expense on the properties to the extent of the amount funded. To recognize the economic effect of this subsidy, SJBH adopted a policy to record income equal to the depreciation of the portion of property acquired with Capital Funding Agreements.

Management performed analysis over the deferred funding and has determined that this intangible asset had no value as of June 30, 2020 and has subsequently written off the balance of $1,360,098 during fiscal year ended June 30, 2020.

11. Retirement Plans

During the fiscal year ended June 30, 2001, SCFFI adopted a 401(k) retirement plan covering all eligible employees. As of January 1, 2018, the name of the SCFFI 401(k) Plan changed to the Inperium & Family of Services 401(k) Plan. Under the terms of the plan, contributions are made by the individual participants. The participants elect contributions in amounts of their choice and direct the investment of these amounts in their plan account. The Company, at its election, may make additional contributions to the plan. The Company made no contributions for the years ended June 30, 2021 and 2020.

On May 19, 2015, the Board of Directors approved the formation of an ESOP. SCFFI has made no contribution for the years ended June 30, 2021 and 2020.

During the fiscal year ended June 30, 2020, CHOR and AFS affiliate plans were merged into the Company's 401(k) retirement plan.

<u>SJBH Pension Plan</u>

SJBH sponsors a defined contribution pension plan, which covers all eligible employees. Contributions provided by the agency are equal to 5% of eligible compensation as defined in the plan document. Employee benefits under the plan vest at 20% per year and are fully vested after five (5) years. Plan forfeitures are used to offset SJBH contributions. The annual contribution for the years ended June 30, 2021 and 2020 was $294,587 and $295,067, respectively.

SJBH also has a 457(b) deferred compensation plan for key executives. Contributions to the plan are discretionary and are determined by the board of directors. The annual contribution for the years ended June 30, 2021 and 2020 was $19,500 and $39,000, respectively.

12. Collective Bargaining Agreement

The majority of SJBH's employees are represented through the Communications Workers of America Local 1038. A memorandum of agreement was signed July 31, 2018 to change the expiration date to June 20, 2020 and is retroactive to July 1, 2016. On May 26, 2020, a memorandum of agreement was signed to extend the current contract expiring June 20, 2020 to December 31, 2020 due to the COVID-19 pandemic. As of June 30, 2021, the collective bargaining agreement was extended, and the parties are currently in negotiations.

13. Leases

The Company leases some of its office space, client residential homes, program facilities, vehicles, and equipment under various operating lease arrangements with terms generally ranging from one to fifteen years.

Total rents charged to expense during 2021 and 2020 for Company facilities were $3,577,559 and $3,215,458, respectively.

Future minimum payments under the leases are as follows for the year ending June 30, 2021:

2022	$ 5,349,023
2023	4,352,737
2024	3,872,892
2025	3,119,787
2026	1,555,879
Thereafter	3,626,954
Total	$ 21,877,272

Following is a summary of property held under capital leases at June 30, 2021 and 2020:

	2021	2020
Vehicles	$ 155,668	$ 155,668
Equipment	124,439	124,439
Less: Accumulated depreciation	(280,107)	(242,600)
	$ -	$ 37,507

The capital leases were satisfied during fiscal year 2021 and there are no minimum future payments under capital leases as of June 30, 2021.

14. Acquisitions and Affiliations

On May 1, 2021, Counseling and Referral Services of Ocean, Inc. (Seashore) merged into IRON. Seashore was a New Jersey nonprofit 501(c)(3) corporation that operates multiple outpatient substance abuse treatment facilities and provides a continuum of effective mental health, substance abuse, and other counseling and pharmacotherapy services in New Jersey. This merger expands the footprint where the companies can provide quality mental health and substance abuse services throughout New Jersey.

On June 15, 2021, Conexio Care, Inc. (Conexio) acquired the non-medication assisted treatment (MAT) business from Connections Community Support Programs, Inc. (CCSP). The transaction was concluded pursuant to Section 363 of the Bankruptcy code. Conexio provides a comprehensive array of healthcare, housing, educational, and employment opportunities that help individuals and families achieve their goals and enhance their communities.

On June 15, 2021, Coras Wellness and Behavioral Health, LLC (Coras) acquired the MAT business from CCSP. The transaction was concluded pursuant to Section 363 of the Bankruptcy code. Coras is a subsidiary of Conexio. Coras provide a comprehensive array of healthcare services, including treatment for substance use and mental health disorders.

On September 1, 2019, Inperium affiliated with Crossroads Programs, Inc, (Crossroads) a New Jersey based nonprofit social service agency whose mission is to empower homeless, abandoned, abused, or at-risk youth. Under the terms of the agreement, the Inperium Board of Directors assumed control over Crossroads. As such the Crossroads financial activities are included in the consolidated financial statements.

On October 1, 2019, SCFFI affiliated with Our Own Home, Inc., a Pennsylvania based nonprofit social service agency that provides residential services for mental health and intellectually disabled individuals amount other services.

On November 15, 2019, APC acquired the business of Brereton Manor, a Pennsylvania personal care home for $1,300,000. The land and building of Brereton Manor was acquired by Fortis Housing.

On March 1, 2020, Inperium affiliated with Advancing Opportunities, Inc. a New Jersey based nonprofit social service agency which provides residential services and assistive technology services among others. The Inperium board of directors assumed control over AO. As such the AO financial activities are included in the consolidated financial statements.

On May 1, 2020, Inperium and Ocellus Tech, Inc. purchased Mercadien Technology for $2,350,000. Ocellus Tech provides information technology and technological support to Inperium and its affiliates in order to assist the organizations with fulfilling their charitable missions.

As a result of the above transactions, the Company acquired the following assets and liabilities at fair value for the years ended June 30, 2021 and 2020:

	2021			
Company	Seashore	Conexio	Coras	Total
Date of Afflilation/Purchase	5/1/2021	6/15/2021	6/15/2021	
Assets:				
Cash and equivalents	$ 322,797	$ -	$ -	$ 322,797
Accounts receivable	29,513	-	-	29,513
Prepaid and other assets	9,030	12,515,000	2,725,000	15,249,030
Land and buildings	742,759	-	-	742,759
Total assets	$ 1,104,099	$ 12,515,000	$ 2,725,000	$ 16,344,099
Liabilities				
Accounts payable and accrued liabilies	$ 268,494	$ -	$ -	$ 268,494
Long-term debt	346,014	-	-	346,014
Total liabilities	$ 614,508	$ -	$ -	$ 614,508
Purchase Price	$ -	$ 10,000,000	$ 2,725,000	$ 12,725,000
Inherent Contribution of of net assets	$ 489,591	$ 2,515,000	$ -	$ 3,004,591

	2020					
Company	Crossroads programs	Our own Home	Beraton Manor	Advancing Opportunities	Mercadien Technology	Total
Date of Afflilation/Purchase	9/1/2019	10/1/2019	11/15/2019	3/1/2020	5/1/2020	
Assets:						
Cash and equivalents	$ 845,750	$ 137,335	$ 23,514	$ 385,964	$ -	$ 1,392,563
Accounts receivable	880,430	225,859	77,258	742,209	-	1,925,756
Prepaid and other assets	82,576	5,195	-	126,893	2,523,128	2,737,792
Land and buildings	3,314,242	137,998	1,798,000	4,489,835	30,431	9,770,506
Total assets	$ 5,122,998	$ 506,387	$ 1,898,772	$ 5,744,901	$ 2,553,559	$ 15,826,617
Liabilities						
Accounts payable and accrued liabilies	$ 781,934	$ 30,837	$ 358,983	$ 2,178,345	$ 207,900	$ 3,557,999
Long-term debt	997,521	89,819	1,027,759	3,176,912	-	5,292,011
Total liabilities	$ 1,779,455	$ 120,656	$ 1,386,742	$ 5,355,257	$ 207,900	$ 8,850,010
Purchase Price	$ -	$ -	$ 1,300,000	$ -	$ 2,350,000	$ 3,650,000
Inherent Contribution of of net assets	$ 3,343,543	$ 385,731	$ 512,030	$ 389,644	$ -	$ 4,630,948
Equity	$ -	$ -	$ -	$ -	$ 2,345,659	$ 2,345,659

15. Concentrations

For the year ended June 30, 2021, the Company had revenues of $66,078,301 from DHS and $26,348,627 from Medicaid, which represented approximately 41% and 17%, respectively of total revenues. Accounts receivable due from DHS and Medicaid at June 30, 2012 are $4,276,772 and $2,749,067, respectively.

For the year ended June 30, 2020, the Company had revenues of $69,936,486 from DHS, which represented approximately 47% of total revenues. Accounts receivable due from DHS at June 30, 2020 are $ 6,160,561.

16. Restrictions on Net Assets/Endowment of Net Assets

The Company's net assets with donor restrictions are available for the following purposes as of June 30, 2021 and 2020:

	2021	2020
Project Peace	$ 1,615	$ 1,615
Drug Free Communities	1,343	1,343
Nurse Family Partnership - Schuylkill County	69,587	21,225
Nurse Family Partnership - Berks County	398,163	249,763
MIHOPE	15,312	15,312
Outlet area neighborhood	517	517
Educational purposes	97,922	70,004
Resident activities	169,190	99,237
Funds held in trust by others	3,170,200	2,536,552
Total	$ 3,923,849	$ 2,995,568

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes.

	2021	2020
Educational purposes	$ -	$ 1,136
Resident activities	126,340	213,742
Time restrictions	-	1,036
Total	$ 126,340	$ 215,914

The CHOR endowment consists of four donor-restricted endowments, of which portions are to be held in perpetuity, with the income expendable for the programs of CHOR as specified in the endowment restrictions and one board-restricted endowment fund available for spending in accordance with the CHOR policy. As required by accounting principles generally accepted in the United States of America, net assets associated with the endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

	June 30, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	$ 1,662,877	$ -	$ 1,662,877
Donor-restricted endowment funds	-	228,652	228,652
	$ 1,662,877	$ 228,652	$ 1,891,529

	June 30, 2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	$ 1,156,304	$ -	$ 1,156,304
Donor-restricted endowment funds	-	228,652	228,652
	$ 1,156,304	$ 228,652	$ 1,384,956

Changes in endowment net assets for the fiscal year ended June 30, 2021 and 2020:

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 1,156,304	$ 228,652	$ 1,384,956
Investment return:			
Investment income	26,062	-	26,062
Net realized/unrealized gain/(loss)	482,146	-	- 482,146
Total investment return	508,208	-	508,208
Contributions	10,486	-	10,486
Administrative fees	(12,120)	-	(12,120)
Endowment net assets, end of year	$ 1,662,878	$ 228,652	- $ 1,891,530

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 781,649	$ 228,652	$ 1,010,301
Investment return:			
Investment income	17,614	-	17,614
Net realized/unrealized gain/(loss)	(10,360)	-	- (10,360)
Total investment return	7,254	-	7,254
Contributions	375,681	-	375,681
Administrative fees	(8,280)	-	(8,280)
Endowment net assets, end of year	$ 1,156,304	$ 228,652	- $ 1,384,956

Changes in net assets with donor restrictions for Crossroads for the fiscal year ended June 30, 2021 and 2020 were as follows:

	Beneficial Bank	Camden Children	Wells Fargo	Scholler Foundation	Total
Balance as of June 30, 2020	$ 2,500	$ 12,500	$ 2,500	$ -	$ 17,500
Grants and awards	-	14,000	-	5,000	19,000
Release from restriction	(2,500)	(12,500)	(2,500)	-	(17,500)
Balance as of June 30, 2021	$ -	$ 14,000	$ -	$ 5,000	$ 19,000

	Beneficial Bank	Camden Children	Wells Fargo	Krupnick Foundation	Total
Balance as of September 1,2019	$ 2,500	$ -	$ 2,500	$ 4,250	$ 9,250
Grants and awards	-	12,500	-	-	12,500
Release from restriction	-	-	-	(4,250)	(4,250)
Balance as of June 30, 2020	$ 2,500	$ 12,500	$ 2,500	$ -	$ 17,500

17. Related Party Transactions

YSA and the former Chief Executive Officer agreed to a contract by which the former Chief Executive Officer will provide services to the organization for a period of five (5) years at $5,000 per month through October 2020.

During the year ended June 30, 2021 and 2020, ECI rented office space from Island Associates, LLC, commonly owned by Inperium's EVP and Chief Administration/Program Officer and Board member. The EVP and Chief Administration/Program Officer and Board member have a total combined ownership in Island Associates, LLC of 50%. Rental payments made to Island Associates, LLC totaled $54,384 for the years ended June 30, 2021 and 2020.

The Company contracted with the former owners of AFS who remain as members of the Board for consulting services for a period of two years following the acquisition of AFS. The Company made payments to the related parties totaling $0 and $125,000 for the years ended June 30, 2021 and 2020, respectively.

SJBH contracted with CST Management LLC (CST) which is an agency whose principal owner is an immediate family member of SJBH's Chief Executive Officer. SJBH began utilizing CST to provide janitorial and building maintenance services for some of SJBH's program locations. The cost of services provided by CST amounted to $146,054 and $121,430 for the years ended June 30, 2021 and 2020, respectively.

18. Contingency/Subject to Audit

Funds received are subject to audit and adjustment by payors. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expense which may be disallowed by the payer cannot be determined at this time, although Inperium expects such amounts, if any, to be immaterial. No amounts have been accrued at June 30, 2021. However, as a result of an internal review of compliance and billing matters of an affiliate entity, management had accrued a liability of $129,946 as of June 30, 2020 for expected repayments.

19. Legal Matters

The Company is currently involved in several legal matters. At this point, it is not possible to determine the outcome of these issues, but it is the opinion of management that it will have no material effect on the Company's financial statements.

20. Liquidity

The following reflects the Company's financial assets as of June 30, 2021 and 2020, reduced by amounts not available for general use within one year because of contractual or donor-imposed restrictions and financial liabilities due within one year. The Company's financial assets include cash, receivables, investments, and beneficial interest in perpetual trusts. The Company has funds held for others, restricted funds, board designated funds, and funds committed for leases due within one year. To help manage liquidity needs, the Company has committed lines of credit totaling $10,000,000, which it can draw upon. The outstanding balance was $0 as of June 30, 2021 and 2020, respectively. In addition, the Company has board designated endowment totaling $1,662,877 and $1,156,304 and investment reserves totaling $1,989,451 and $1,454,960 that are expected to be held for long-term purposes as of June 30, 2021 and 2020, respectively. With board approval, these investments could be used to meet cash needs, if necessary.

The Company used $12,725,000 in cash to acquire the CCSP businesses on June 15, 2021. The Company will receive cash through financing this purchase with a $11,748,500 term loan.

	2021	2020
Cash and cash equivalents	$ 27,145,468	$ 28,228,838
Accounts receivable	17,015,168	13,463,931
Loan receivable	146,817	22,274
Investments	1,989,451	1,454,960
Beneficial Interests and Charitable remainder trust	3,170,200	2,536,552
Total financial assets	49,467,104	45,706,555
Less:		
Contractual, board designated, or donor-imposed restrictions:		
Cash not available for general expenditures	(3,669,306)	(3,346,435)
Beneficial Interests and Charitable remainder trust	(3,170,200)	(2,536,552)
Other time and purpose restrictions	(772,649)	(438,472)
Endowment, with donor restrictions	(228,652)	(228,652)
Endowment, board designated	(1,662,878)	(1,156,304)
Financial assets available to meet cash needs for general expenditures within one year	(9,503,685)	(7,706,415)
Total financial assets and line of credit available to meet cash needs for general expenditures within one year	$ 39,963,419	$ 38,000,140

21. COVID-19 Pandemic

In December 2019, a novel strain of coronavirus, known as COVID-19, was reported and has since extensively impacted the global health and economic environment. In March 2020, the World Health Organization characterized COVID-19 as a pandemic, and the President declared the COVID-19 outbreak in the United States as a national emergency. The COVID-19 pandemic remains a rapidly evolving situation. It has impacted and could further impact the Company's operation and the operations of suppliers and vendors as a result of quarantines, facility closures, and travel and logistics restrictions. The extent of the impact on our Company and financial results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to the duration, spread, severity and impact of the COVID-19 pandemic. The Company has taken measures to reduce our costs and maintain adequate liquidity. However, due to the rapidly changing business environment, unprecedented market volatility, and other circumstances resulting from the COVID-19 pandemic, the Company is currently unable to fully determine the extent of COVID-19's impacts on the Company in future periods. Future periods will be heavily influenced by the timing, length, and intensity of the economic recoveries in the United States. The Company continues to monitor evolving economic and general business conditions and the actual and potential impacts on the financial position, results of operations, and cash flows of the Company. In the opinion of management, there has been no material adverse effect of COVID-19 on the overall financial performance of the Company to date.

22. COVID-19 related revenue

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act commonly referred to as the CARES Act was signed into law. One component of the CARES Act was the Paycheck Protection Program (PPP) which provided small businesses with the resources needed to maintain their payroll and cover applicable overhead. The PPP provided funds to pay up to 24 weeks of payroll including benefits. Funds can also be used to pay interest on mortgages, rent and utilities. Certain Companies included in the consolidated financial statements applied for loans and were approved to participate in the PPP program. Loans totaling approximately $8.5 and $8.4 million were received during fiscal years ended June 30, 2021 and 2020, respectively. Approximately $4.2 million and $5.3 million was recognized as revenue for years ended June 30, 2021 and 2020, respectively. The remaining $7.4 million remained as an other current liability as of June 30, 2021 as follows:

Company	Description	Total Loan Received	June 30, 2020 Revenue	June 30, 2021 Revenue	Other Current Liability
ACE	PPP 3 Loan	$ 170,042	$ -	$ 170,042	$ -
AO	PPP 1 Loan	1,418,100	752,578	665,522	-
Affinity	PPP 1 Loan	318,900	301,329	17,571	-
Alvarium	PPP 1 Loan	419,700	419,700	-	-
APC	PPP 2 Loan	331,757	-	331,757	-
CHOR	PPP 1 Loan	1,522,000	1,187,630	334,370	-
CPP	PPP 1 Loan	471,000	-	277,950	193,050
Crossroads	PPP 1 Loan	947,000	842,342	104,658	-
Edison	PPP 1 Loan	808,300	753,174	55,126	-
Harmonycrest	PPP 3 Loan	94,477	-	94,477	-
IRON	PPP 1 Loan	443,500	235,836	207,664	-
PDCS	PPP 3 Loan	346,492	-	285,591	60,901
SAFS	PPP 3 Loan	75,107	-	75,107	-
SCFF	PPP 3 Loan	7,111,120	-	-	7,111,120
SELS	PPP 3 Loan	80,920	-	80,920	-
SJBH	PPP 1 Loan	1,717,600	678,542	1,039,058	-
WAKE	PPP 1 Loan	338,500	143,241	195,259	-
WAKE	PPP 2 Loan	338,500	-	295,964	42,536
Total		$ 16,953,015	$ 5,314,372	$ 4,231,036	$ 7,407,607

As this is a conditional grant, revenue was recognized as of June 30, 2020 based on payroll expenses incurred and paid from the loan funding date through June 30, 2021 and 2020. The loan is a five-year loan bearing an annual interest rate of 1%. All companies intend to apply for loan forgiveness under the provisions of Section 1106 of the CARES Act. Loan forgiveness is subject to the sole approval of the Small Business Association. The companies used loan proceeds to partially subsidize direct payroll expenses. All PPP round 1 loans received in fiscal year 2020, except for CPP were forgiven in fiscal year 2021, and $752,303 of PPP round 2 and 3 funds were forgiven in July 2021. $277,950 of the CPP round 1 loan was forgiven and the remaining amount of $193,050 was repaid to the bank in August 2021. The Company also assumed a PPP loan in the amount of $145,742, which is included in other current liabilities, with the merger of Seashore with IRON.

For the year ended June 30, 2021 and 2020, the Company recognized an additional $5,776,598 and $4,017,904 in CARES act funding, which was distributed directly from the federal government as well as various state agencies to help offset additional expenditures related to the pandemic. This funding included provider relief funding, state and local grant funding, and other payments made by third party payors to the Company.

23. Subsequent Events

On August 31, 2021, the Company dissolved Honeythrive, Inc. As a result of the dissolution, intercompany debt was forgiven in the amount of approximately $18k.

Effective September 30, 2021, Edison Court, Inc. and Affinity Forensic Services, LLC. Merged into the Children's Home of Reading Youth and Family Services, Inc. CHOR YFS absorbed the assets, liabilities, and net assets of each entity totaling $12,662,089, $674,918, and $11,987,172, respectively.

The Company utilized cash to acquire the CCSP businesses. Cash will be replenished by bank financing through a taxable term loan in the amount of $11,438,250. Conexio will pay monthly principal and interest payments over a 20 year amortization with a 7 year maturity. Conexio locked into a swap rate of 2.85%

The Company entered into a binding definitive affiliation agreement with Abraxas, a nonprofit provider of residential, community-based, detention an alternative education services to youth, adults and families in Pennsylvania, Ohio, Illinois, South Carolina and Colorado. The transaction will add approximately $80 million in revenue and $6 million in net assets to the Company and is expected to close on or before December 31, 2021.

On August 20, 2021, the Company entered into non-binding letters of intent to acquire the assets of ALK Holdings, LLC (ALK) and A&B Holdings, LLC (ALB) for $1,000,000 and conditional earn pay out payments of as much as $2,250,000. ALK and A&B cultivate and dispense retail cannabis in Colorado under two licenses. ALK and A&B signed a definitive agreement for the asset purchase with Colorado limited liability companies CLCC, LLC and CLDC, LLC, wholly owned subsidiaries of the Company on November 1, 2021. Subject to regulatory approval of the cannabis license transfers, the definitive agreement will become binding upon CLCC and CLDC's execution of the definitive agreement.

On September 9, 2021, the Company entered into a letter of intent to acquire the assets of High Gardens, Inc. for $375,000 and conditional earn out payments of as much as $625,000. High Gardens, Inc. cultivates medical cannabis under a license in Rhode Island.

On December 7, 2021, three companies requested one-time supplemental American Rescue Plan Act (ARPA) funds from the PA office of Developmental Programs under the 1915 (C) home and community-based service waivers or Appendix K totaling $2,921,821. The funds are to be utilized for recruitment, retention, and/or COVID-19 related staffing expenses for direct support professionals. The funds received must be spent on expenses incurred during the period of April 1, 2021 through March 31, 2022. If the Applications are approved, the funds are expected to be received on or around December 31, 2021.

On December 16, 2021, multiple companies received Provider Relief Funds- Phase 4 totaling $681,915. These funds will be used to offset COVID-19 costs.

SUPPLEMENTARY INFORMATION

INPERIUM, INC.

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2021

Assets	INPERIUM	APIS SERVICES	OCELLUS TECH	INPERIUM NORTH CAROLINA	WAKE ENTERPRISES	INPERIUM NEW JERSEY	IRON RECOVERY AND WELLNESS CENTER	CROSSROADS PROGRAMS	ADVANCING OPPORTUNITIES
Current assets:									
Cash and cash equivalents	$ -	$ 16,691,456	$ -	$ -	$ 804,798	$ -	$ 303,260	$ 447,265	$ 132,515
Accounts receivable	-	8,072	6,057	-	197,478	-	613,830	1,999,379	485,430
Inventory	-	-	105,706	-	-	-	-	-	-
Prepaid expenses	5,085	675,984	38,977	-	2,572	-	11,326	44,786	130,549
Total current assets	5,085	17,375,512	150,740	-	1,004,848	-	928,416	2,491,430	748,494
Land, buildings, leasehold improvements, and equipment:									
Land and buildings	-	-	-	-	2,664,312	-	1,541,566	3,530,465	3,895,400
Computer equipment	-	194,306	-	-	31,728	-	57,114	4,563	42,361
Furniture and fixtures	188,108	-	-	-	-	-	1,607	70,829	4,155
Leasehold improvements	-	-	-	-	-	-	40,393	114,830	309,874
Office equipment	-	36,232	-	-	40,540	-	150,245	-	-
Transportation equipment	-	68,373	-	-	-	-	12,551	189,892	174,190
Construction in process	13,587	-	-	-	-	-	-	-	-
Less: accumulated depreciation	(47,243)	(140,650)	-	-	(190,839)	-	(262,259)	(230,189)	(313,401)
Net land, buildings, leasehold improvements, and equipment	154,452	158,261	-	-	2,545,741	-	1,541,217	3,680,390	4,112,579
Other assets:									
Security deposits	-	-	-	-	-	-	1,665	-	29,898
Deferred funding of depreciation	-	-	-	-	-	-	-	-	
Investment in subsidiary	2,346,464	2,345,659	-	-	-	-	-	-	
Due to/from affiliates	(5,791,532)	19,905,765	(311,046)	(8,107)	623,896	(104,062)	(2,918,162)	(245,924)	(39,300)
Loan receivable	20,995	124,922	-	-	-	-	-	900	
Goodwill	-	-	-	-	-	-	-	-	
Investments	-	-	-	-	-	-	-	-	
Beneficial interests and charitable remainder trust	-	-	-	-	-	-	-	-	-
Total other assets	(3,424,073)	22,376,346	(311,046)	(8,107)	623,896	(104,062)	(2,916,497)	(245,024)	(9,402)
Total Assets	**$ (3,264,536)**	**$ 39,910,119**	**$ (160,306)**	**$ (8,107)**	**$ 4,174,485**	**$ (104,062)**	**$ (446,864)**	**$ 5,926,796**	**$ 4,851,671**

INPERIUM, INC.

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2021
(Continued)

Assets	SOUTH JERSEY BEHAVIORAL HEALTH	GUIDANCE CENTER	INPERIUM NEW YORK	EDISON COURT	COMMUNITY PREVENTION PARTNERS	YOUTH SERVICES AGENCY	CHILDREN'S HOME OF READING	CHOR YOUTH & FAMILY SERVICES	READING SPECIALISTS	AFFINITY
Current assets:										
Cash and cash equivalents	$ 8,254,436	$ 454,633	$ -	$ 8,478	$ 1,720	$ -	$ -	$ 2,500	$ -	$ 100
Accounts receivable	779,007	9,151	-	1,185,512	545,839	-	108,203	1,471,668	-	990,814
Inventory	-	-	-	-	-	-	-	13,618	-	-
Prepaid expenses	18,035	-	-	10,000	64	-	18,376	33,164	-	-
Total current assets	9,051,478	463,784	-	1,203,990	547,623	-	126,579	1,520,950	-	990,914
Land, buildings, leasehold improvements, and equipment:										
Land and buildings	3,376,440	535,800	-	6,929,984	911,535	-	13,092,734	-	-	-
Computer equipment	27,565	-	-	21,095	-	-	266,992	-	-	12,268
Furniture and fixtures	5,347	103,352	-	61,633	1,900	-	220,671	-	-	-
Leasehold improvements	-	-	-	818,220	9,912	-	-	-	-	-
Office equipment	-	-	-	71,526	8,496	-	115,318	-	-	-
Transportation equipment	91,631	-	-	187,529	-	-	14,427	-	-	-
Construction in process	78,776	-	-	28,100	-	-	25,890	-	-	-
Less: accumulated depreciation	(313,995)	(85,875)	-	(916,380)	(46,453)	-	(1,458,862)	-	-	(7,080)
Net land, buildings, leasehold improvements, and equipment	3,265,764	553,277	-	7,201,707	885,390	-	12,277,170	-	-	5,188
Other assets:										
Security deposits	30,342	-	-	-	-	-	-	-	-	5,958
Deferred funding of depreciation	-	-	-	-	-	-	-	-	-	-
Investment in subsidiary	-	-	-	-	-	-	-	-	-	-
Due to/from affiliates	42,180	(27,236)	(93,895)	(936,526)	(211,980)	-	(411,616)	(1,423,620)	51,872	1,778,564
Loan receivable	-	-	-	-	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-	-	-	-	1,449,995
Investments	-	-	-	-	-	-	1,989,451	-	-	-
Beneficial interests and charitable remainder trust	-	-	-	-	-	-	3,170,200	-	-	-
Total other assets	72,522	(27,236)	(93,895)	(936,526)	(211,980)	-	4,748,035	(1,423,620)	51,872	3,234,517
Total Assets	**$ 12,389,764**	**$ 989,825**	**$ (93,895)**	**$ 7,469,171**	**$ 1,221,033**	**$ -**	**$ 17,151,784**	**$ 97,330**	**$ 51,872**	**$ 4,230,619**

INPERIUM, INC.

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2021
(Continued)

Assets	ALVARIUM	ALVARIUM PERSONAL CARE	SUPPORTIVE CONCEPTS	HARMONYCREST	PERSON DIRECTED CLINICAL SERVICES	FORTIS HOLDINGS	FORTIS HOUSING	S AUTOMOTIVE & FLEET SERVICES	SUSTAINABLE ENERGY & LIGHTING SOLUTIONS
Current assets:									
Cash and cash equivalents	$ -	$ 400	$ 34,217	$ 50	$ -	$ -	$ -	$ -	$ -
Accounts receivable	258,998	16,808	4,605,644	2,739	141,237	-	-	52,242	32,778
Inventory	-	-	-	-	-	-	-	-	5,806
Prepaid expenses	-	-	56,923	-	-	-	-	-	-
Total current assets	258,998	17,208	4,696,784	2,789	141,237	-	-	52,242	38,584
Land, buildings, leasehold improvements, and equipment:									
Land and buildings	417,104	-	7,221,343	-	-	-	9,449,492	-	-
Computer equipment	-	-	512,160	-	-	-	-	-	-
Furniture and fixtures	32,925	207,428	282,090	4,865	-	-	-	5,695	5,827
Leasehold improvements	80,444	-	1,507,271	-	-	-	-	4,158	-
Office equipment	-	-	418,484	-	-	-	-	51,039	-
Transportation equipment	-	27,792	1,881,734	-	-	-	-	-	-
Construction in process	-	-	-	-	-	-	-	-	-
Less: accumulated depreciation	(39,525)	(71,928)	(4,768,583)	(1,865)	-	-	(884,814)	(33,367)	(486)
Net land, buildings, leasehold improvements, and equipment	490,948	163,292	7,054,499	3,000	-	-	8,564,678	27,525	5,341
Other assets:									
Security deposits	-	-	130,811	-	-	-	-	-	-
Deferred funding of depreciation	-	-	-	-	-	-	-	-	-
Investment in subsidiary	-	-	1,695,000	-	-	-	-	-	-
Due to/from affiliates	(665,523)	(1,273,735)	16,813,505	288,975	535,376	(216,029)	(7,816,791)	128,577	(172,682)
Loan receivable	-	-	-	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Beneficial interests and charitable remainder trust	-	-	-	-	-	-	-	-	-
Total other assets	(665,523)	(1,273,735)	18,639,316	288,975	535,376	(216,029)	(7,816,791)	128,577	(172,682)
Total Assets	**$ 84,423**	**$ (1,093,235)**	**$ 30,390,599**	**$ 294,764**	**$ 676,613**	**$ (216,029)**	**$ 747,887**	**$ 208,344**	**$ (128,757)**

(Continued)

(Continued)

INPERIUM, INC.

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2021
(Continued)

Assets	INPERIUM MANAGEMENT SERVICES	ALTERNATIVE CONSULTING ENTERPRISES	HONEYTHRIVE	ANCHORS FROM CAROL	CONEXIO CARE	CORAS WELLNES & RECOVERY CENTER	ELIMINATION INPERIUM	Eliminations	Consolidated Totals
Current assets:									
Cash and cash equivalents	$ -	$ 1,613	$ -	$ 8,027	$ -	$ -	$ -	$ -	$ 27,145,468
Accounts receivable	88,500	840,137	-	-	2,575,645	-	-	-	17,015,168
Inventory	-	-	-	-	-	-	-	-	125,130
Prepaid expenses	44,232	-	-	-	-	-	-	-	1,090,073
Total current assets	132,732	841,750	-	8,027	2,575,645	-	-	-	45,375,839
Land, buildings, leasehold improvements, and equipment:									
Land and buildings	-	-	-	-	12,354,150	1,578,400	-	-	67,498,725
Computer equipment	101,099	50,631	-	-	-	-	-	-	1,321,882
Furniture and fixtures	-	-	-	-	-	-	-	-	1,196,432
Leasehold improvements	-	169,987	-	-	-	-	-	-	3,055,089
Office equipment	-	-	-	-	200,000	-	-	-	1,091,880
Transportation equipment	-	-	-	-	-	-	-	-	2,648,119
Construction in process	-	-	-	-	-	-	-	-	146,353
Less: accumulated depreciation	(34,618)	(61,089)	-	-	-	-	-	-	(9,909,501)
Net land, buildings, leasehold improvements, and equipment	66,481	159,529	-	-	12,554,150	1,578,400	-	-	67,048,979
Other assets:									
Security deposits	-	-	-	-	-	-	-	-	198,674
Deferred funding of depreciation	-	-	-	-	-	-	-	-	-
Investment in subsidiary	-	-	-	-	-	-	(4,692,123)	(1,695,000)	-
Due to/from affiliates	(555,299)	(1,187,214)	(18,411)	(10,746)	(12,797,415)	(2,931,859)	-	-	-
Loan receivable	-	-	-	-	-	-	-	-	146,817
Goodwill	-	-	-	-	-	-	-	-	1,449,995
Investments	-	-	-	-	-	-	-	-	1,989,451
Beneficial interests and charitable remainder trust	-	-	-	-	-	-	-	-	3,170,200
Total other assets	(555,299)	(1,187,214)	(18,411)	(10,746)	(12,797,415)	(2,931,859)	(4,692,123)	(1,695,000)	6,955,137
Total Assets	**$ (356,086)**	**$ (185,935)**	**$ (18,411)**	**$ (2,719)**	**$ 2,332,380**	**$ (1,353,459)**	**$ (4,692,123)**	**$ (1,695,000)**	**$ 119,379,955**

(Continued)

INPERIUM, INC.

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2021

Liabilities and Net Assets	INPERIUM	APIS SERVICES	OCELLUS TECH	INPERIUM NORTH CAROLINA	WAKE ENTERPRISES	INPERIUM NEW JERSEY	IRON RECOVERY AND WELLNESS CENTER	CROSSROADS PROGRAM
Liabilities:								
Current liabilities:								
Accounts payable	$ -	$ 4,448,461	$ 1,142	$ -	$ 2,498	$ -	$ 11,664	$ 113,285
Refundable advance	-	-	-	-	-	-	44,473	19,000
Salaries and wages payable	-	7,062,851	-	-	15,447	-	-	27,936
Payroll taxes and amounts withheld from employees	-	67,460		-	-	-	-	-
Other current liabilities	-	-	-	-	42,536	-	145,742	-
Current portion of long-term debt	26,380	1,502,000	-	-	26,850	-	2,510	855
Total current liabilities	26,380	13,080,772	1,142	-	87,331	-	204,389	161,076
Long-term liabilities:								
Refundable advance - long -term	-	-	-	-	-	-	-	-
Other long-term liabilities	-	-	-	-	10,500	-	-	12,626
Long-term debt (net of financing costs)	40,907	23,680,776	-	-	669,519	-	4,514	116,396
Total long-term liabilities	40,907	23,680,776	-	-	680,019	-	4,514	129,022
Total Liabilities	67,287	36,761,548	1,142	-	767,350	-	208,903	290,098
Net Assets:								
Membership interest	-	-	-	-	-	-	-	-
Additional paid-in-capital	-	-	2,345,659	-	-	-	-	-
Net assets without donor restrictions	(3,331,823)	3,148,571	(2,507,107)	(8,107)	3,407,135	(104,062)	(655,767)	5,617,698
Net assets with donor restrictions	-	-	-	-	-	-	-	19,000
Total net assets	(3,331,823)	3,148,571	(161,448)	(8,107)	3,407,135	(104,062)	(655,767)	5,636,698
Total Liabilities and Net Assets	**$ (3,264,536)**	**$ 39,910,119**	**$ (160,306)**	**$ (8,107)**	**$ 4,174,485**	**$ (104,062)**	**$ (446,864)**	**$ 5,926,796**

(Continued)

INPERIUM, INC.

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2021
(Continued)

Liabilities and Net Assets	ADVANCING OPPORTUNITIES	SOUTH JERSEY BEHAVIORAL HEALTH	GUIDANCE CENTER	INPERIUM NEW YORK	EDISON COURT	COMMUNITY PREVENTION PARTNERS	YOUTH SERVICES AGENCY	CHILDREN'S HOME OF READING
Liabilities:								
Current liabilities:								
Accounts payable	$ 550,700	$ 513,478	$ (234)	$ -	$ 4,545	$ 16,792	$ -	$ -
Refundable advance	16,565	2,572,942	-	-	66,687	-	-	3,504
Salaries and wages payable	52,107	789,490	-	-	-	-	-	-
Payroll taxes and amounts withheld from employees	2,434	35,977	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	193,050	-	-
Current portion of long-term debt	53,652	-	35,397	-	-	-	-	-
Total current liabilities	675,458	3,911,887	35,163	-	71,232	209,842	-	3,504
Long-term liabilities:								
Refundable advance - long -term		2,280,399	-	-	-	-	-	-
Other long-term liabilities	-	-	2,538	-	-	-	-	-
Long-term debt (net of financing costs)	2,250,749	1,680,654	85,105	-	-	-	-	-
Total long-term liabilities	2,250,749	3,961,053	87,643	-	-	-	-	-
Total Liabilities	2,926,207	7,872,940	122,806	-	71,232	209,842	-	3,504
Net Assets:								
Membership interest	-	-	-	-	-	-	-	-
Additional paid-in-capital	-	-	-	-	-	-	-	-
Net assets without donor restrictions	1,925,464	4,516,824	867,019	(93,895)	7,397,939	524,653	-	13,482,316
Net assets with donor restrictions	-	-	-	-	-	486,538	-	3,665,964
Total net assets	1,925,464	4,516,824	867,019	(93,895)	7,397,939	1,011,191	-	17,148,280
Total Liabilities and Net Assets	**$ 4,851,671**	**$ 12,389,764**	**$ 989,825**	**$ (93,895)**	**$ 7,469,171**	**$ 1,221,033**	**$ -**	**$ 17,151,784**

(Continued)

INPERIUM, INC.

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2021
(Continued)

Liabilities and Net Assets	CHOR YOUTH & FAMILY SERVICES	READING SPECIALISTS	AFFINITY	ALVARIUM	ALVARIUM PERSONAL CARE	SUPPORTIVE CONCEPTS	HARMONYCREST	PERSON DIRECTED CLINICAL SERVICES
Liabilities:								
Current liabilities:								
Accounts payable	$ 35,898	$ -	$ 15,972	$ (24)	$ 2,600	$ 57,903	$ 220	$ 759
Refundable advance	61,432	-	765	-	-	-	-	-
Salaries and wages payable	-	-	-	-	-	-	-	-
Payroll taxes and amounts withheld from employees	-	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	7,111,120	-	60,901
Current portion of long-term debt	-	-	-	-	-	-	-	-
Total current liabilities	97,330	-	16,737	(24)	2,600	7,169,023	220	61,660
Long-term liabilities:								
Refundable advance - long -term	-	-	-	-	-	-	-	-
Other long-term liabilities	-	546	1,200	-	-	170,265	-	-
Long-term debt (net of financing costs)	-	-	-	-	-	500,000	-	-
Total long-term liabilities	-	546	1,200	-	-	670,265	-	-
Total Liabilities	97,330	546	17,937	(24)	2,600	7,839,288	220	61,660
Net Assets:								
Membership interest	-	-	-	-	-	-	-	-
Additional paid-in-capital	-	-	2,346,464	-	-	-	-	-
Net assets without donor restrictions	-	51,326	1,866,218	84,447	(1,095,835)	22,551,311	294,544	614,953
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	-	51,326	4,212,682	84,447	(1,095,835)	22,551,311	294,544	614,953
Total Liabilities and Net Assets	**$ 97,330**	**$ 51,872**	**$ 4,230,619**	**$ 84,423**	**$ (1,093,235)**	**$ 30,390,599**	**$ 294,764**	**$ 676,613**

INPERIUM, INC.

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2021
(Continued)

Liabilities and Net Assets	FORTIS HOLDINGS	FORTIS HOUSING	S AUTOMOTIVE & FLEET SERVICES	SUSTAINABLE ENERGY & LIGHTING SOLUTIONS	INPERIUM MANAGEMENT SERVICES	ALTERNATIVE CONSULTING ENTERPRISES	HONEYTHRIVE	ANCHORS FROM CAROL
Liabilities:								
Current liabilities:								
Accounts payable	$ -	$ -	$ 2,591	$ 184	$ 1,288	$ 2,031,144	$ -	$ -
Refundable advance	-	-	-	-	-	22,650	-	-
Salaries and wages payable	-	-	-	-	-	-	-	-
Payroll taxes and amounts withheld from employees	-	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-			
Current portion of long-term debt	-	-	-	-	-	-	-	-
Total current liabilities	-	-	2,591	184	1,288	2,053,794	-	-
Long-term liabilities:								
Refundable advance - long -term	-	-	-	-	-	-	-	-
Other long-term liabilities	-	1,425	-	-	-	-	-	-
Long-term debt (net of financing costs)	-	-	-	-	-	-	-	-
Total long-term liabilities	-	1,425	-	-	-	-	-	-
Total Liabilities	-	1,425	2,591	184	1,288	2,053,794	-	-
Net Assets:								
Membership interest	-	-	-	-	-	1,255,000	-	-
Additional paid-in-capital	-	-	40,000	400,000	-	-	-	-
Net assets without donor restrictions	(216,029)	746,462	165,753	(528,941)	(357,374)	(3,494,729)	(18,411)	(2,719)
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	(216,029)	746,462	205,753	(128,941)	(357,374)	(2,239,729)	(18,411)	(2,719)
Total Liabilities and Net Assets	**$ (216,029)**	**$ 747,887**	**$ 208,344**	**$ (128,757)**	**$ (356,086)**	**$ (185,935)**	**$ (18,411)**	**$ (2,719)**

(Continued)

INPERIUM, INC.

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2021

	CONEXIO CARE	CORAS WELLNESS & RECOVERY CENTER	ELIMINATION INPERIUM	Eliminations	Consolidated Totals
Liabilities and Net Assets					
Liabilities:					
Current liabilities:					
Accounts payable	$ 1,079,382	$ -	$ -	$ -	$ 8,890,248
Refundable advance	-	-	-	-	2,808,018
Salaries and wages payable	-	-	-	-	7,947,831
Payroll taxes and amounts withheld from employees	-	-	-	-	105,871
Other current liabilities					7,553,349
Current portion of long-term debt	-	-	-	-	1,647,644
Total current liabilities	1,079,382	-	-	-	28,952,961
Long-term liabilities:					
Refundable advance - long -term	-	-	-	-	2,280,399
Other long-term liabilities	-	-	-	-	199,100
Long-term debt (net of financing costs)	-	-	-	-	29,028,620
Total long-term liabilities	-	-	-	-	31,508,119
Total Liabilities	1,079,382	-	-	-	60,461,080
Net Assets:					
Membership interest	-	-	(1,255,000)		-
Additional paid-in-capital	-	-	(3,437,123)	(1,695,000)	-
Net assets without donor restrictions	1,252,998	(1,353,459)	-	-	54,747,373
Net assets with donor restrictions	-	-	-	-	4,171,502
Total net assets	1,252,998	(1,353,459)	(4,692,123)	(1,695,000)	58,918,875
Total Liabilities and Net Assets	**$ 2,332,380**	**$ (1,353,459)**	**$ (4,692,123)**	**$ (1,695,000)**	**$ 119,379,955**

(Concluded)

INPERIUM, INC.

CONSOLIDATING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2021

	INPERIUM	APIS SERVICES	OCELLUS TECH	INPERIUM NORTH CAROLINA	WAKE ENTERPRISES	INPERIUM NEW JERSEY	IRON RECOVERY AND WELLNESS CENTER	WITHOUT DONOR RESTRICTIONS CROSSROADS PROGRAMS	WITH DONOR RESTRICTIONS CROSSROADS PROGRAMS	ADVANCING OPPORTUNITIES	SOUTH JERSEY BEHAVIORAL HEALTH
Public Support, Revenues, Gains, and Other Support											
Contract revenue	$ -	$ -	$ -	$ -	$ 1,542,597	$ -	$ 2,488,628	$ 9,925,589		$ 8,058,797	$ 9,863,810
Contributions/grants	-	50	-	-	86,265	-	1,043,130	205,978	1,500	725,298	2,526,442
Client fees	-	32,971	-	-	-	-	-	-	-	363,543	345,905
Other program fees	-	-	-	-	-	-	227,868	-	-	8,369	333,409
Other income	28,727	961	-	-	10,523	-	37,539	16,975	-	235,468	597,212
Interest Income	728	6,024	-	-	10,300	-	17	57	-	1	6,585
COVID Revenue	-	-	-	-	541,439	-	341,029	369,377	-	1,164,959	1,439,176
Inherent contributions of net assets from affiliates	-	-	-	-	-	-	489,591	-	-	-	-
Sales (net discounts)	-	-	1,635,107	-	199,859	-	(25)	-	-	-	-
Intercompany revenues	2,552	583,052	26,862	-	7,303	-	-	64		81	61
Total public support, revenues, gains, and other support	32,007	623,058	1,661,969	-	2,398,286	-	4,627,777	10,518,040	1,500	10,556,516	15,112,600
Expenses:											
Payroll	2,186,367	7,623,198	744,960	-	792,325	-	2,003,203	4,790,432	-	5,647,757	6,479,369
Payroll taxes and employee benefits	102,867	1,488,424	92,050	-	164,088	-	645,233	807,328	-	1,134,999	2,007,427
Total payroll and related expenses	2,289,234	9,111,622	837,010	-	956,413	-	2,648,436	5,597,760	-	6,782,756	8,486,796
Client transportation	26,009	46,115	14,108	-	53,429	-	8,508	50,624	-	64,190	175,365
Communications	35,236	190,060	7,206	-	16,336	500	33,653	46,704	-	124,544	111,613
Contract personnel	991,396	1,224,011	16,377	-	178,930	8,124	466,095	1,636,899	-	225,811	1,486,076
Housekeeping expense	-	-	511	-	8,142	435	2,515	144,105	-	164,566	126,479
Insurance expense	4,314	20,106	5,369	-	34,520	-	93,569	217,226	-	166,207	231,111
Interest expense	134,010	924,722	-	170	97,901	2,029	46,138	2,220	-	14,289	12,312
Maintenance and repairs	-	44,025	2,313	-	33,257	-	98,395	94,563	-	173,673	272,419
Management fees	(3,583,553)	(13,501,200)	72,900	-	286,988		407,185	1,051,954	-	1,055,651	1,466,100
Rent expense	-	193,584	6,051	-	-	-	10,191	-	-	273,588	491,558
Supplies and operating expenses	81,667	2,286,654	418,419	-	226,906	381	273,148	198,318	-	316,816	454,084
Utilities	555	19,904	1,068		50,979	-	43,099	121,983	-	137,664	156,994
Total expenses before depreciation	(21,132)	559,603	1,381,332	170	1,943,801	11,469	4,130,932	9,162,356	-	9,499,755	13,470,907
Depreciation	26,971	41,971	2,280,997		87,838	-	40,938	137,481	-	234,943	100,844
Total expenses	5,839	601,574	3,662,329	170	2,031,639	11,469	4,171,870	9,299,837	-	9,734,698	13,571,751
Change in net assets before non-operating income (loss)	26,168	21,484	(2,000,360)	(170)	366,647	(11,469)	455,907	1,218,203	1,500	821,818	1,540,849
Non-Operating Income:											
Non-operating gains (losses)	(62,157)	319,447	(467,514)	-	465,480	-	14,694	-	-	278,843	11,277
Transfer of assets	-	-	-	-	-	-	-	-	-	-	-
Total non-operating income	(62,157)	319,447	(467,514)	-	465,480	-	14,694	-	-	278,843	11,277
Change in net assets after non-operating income	(35,989)	340,931	(2,467,874)	(170)	832,127	(11,469)	470,601	1,218,203	1,500	1,100,661	1,552,126
Net Assets:											
Beginning of year	(3,295,834)	2,807,640	(39,233)	(7,937)	2,575,008	(92,593)	(1,126,368)	4,399,495	17,500	824,803	2,964,698
End of year	$ (3,331,823)	$ 3,148,571	$ (2,507,107)	$ (8,107)	$ 3,407,135	$ (104,062)	$ (655,767)	$ 5,617,698	$ 19,000	$ 1,925,464	$ 4,516,824

INPERIUM, INC.

CONSOLIDATING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2021
(Continued)

	GUIDANCE CENTER	INPERIUM NEW YORK	EDISON COURT	WITHOUT DONOR RESTRICTIONS COMMUNITY PREVENTION PARTNERS	WITH DONOR RESTRICTIONS COMMUNITY PREVENTION PARTNERS	YOUTH SERVICES AGENCY	WITHOUT DONOR RESTRICTIONS CHILDREN'S HOME OF READING	WITH DONOR RESTRICTIONS CHILDREN'S HOME OF READING	CHOR YOUTH & FAMILY SERVICES	READING SPECIALISTS	AFFINITY
Public Support, Revenues, Gains, and Other Support											
Contract revenue	$ -	$ -	$ 6,222,167	$ 1,067,817	$ -	$ -	$ -	$ -	$ 10,127,303	$ -	$ 4,617,398
Contributions/grants	-	-	67,329	2,161,204	196,763	-	238,030	69,953	196,344	-	13,390
Client fees	-	-		-		-	-	-	-	-	-
Other program fees	-	-	234,027	-	-	-	-	-	-	-	1,131,767
Other income	266,875	18	11,902	-	-	2,610	191,007	-	2,330	-	15,925
Interest Income	72	-	45	-	-	-	159,270	-	28	-	-
COVID Revenue	-	-	458,720	277,950	-	-	16,496	-	1,259,339	-	17,571
Inherent contributions of net assets from affiliates	-	-	-	-	-	-	-	-	-	-	-
Sales (net discounts)	-	-	-	-	-	-	-	-	-	-	-
Intercompany revenues	-	-	8,406	2,322	-	411	40,048	-	60,774	2,180	34,176
Total public support, revenues, gains, and other support	266,947	18	7,002,596	3,509,293	196,763	3,021	644,851	69,953	11,646,118	2,180	5,830,227
Expenses:											
Payroll	52,917	-	3,385,250	2,070,614	-	(175)	192,547	-	5,163,038	-	1,504,975
Payroll taxes and employee benefits	-	-	647,595	418,717	-	(27,511)	29,836	-	1,596,240	-	403,330
Total payroll and related expenses	52,917	-	4,032,845	2,489,331	-	(27,686)	222,383	-	6,759,278	-	1,908,305
Client transportation	-	-	80,900	12,429	-	726	754	-	107,706	-	6,994
Communications	8,851	140	60,993	78,884	-	406	9,277	-	130,863	-	16,414
Contract personnel	27,150	2,857	421,193	194,646	-	38,083	17,819	-	1,019,532	500	1,909,088
Housekeeping expense	1,350	-	236,594	163,678	-	579	-	-	203,188	-	39,897
Insurance expense	7,640	21	69,523	14,908	-	7,405	27	-	174,995	-	171,071
Interest expense	12,997	7,119	12,238	4,286	-	19,285	61,336	-	79,032	1,216	263
Maintenance and repairs	33,463	311	130,221	34,005	-	2,709	142	-	299,372	-	31,237
Management fees	-	-	700,260	370,605		-	71,480		1,164,219	-	583,022
Rent expense	-	2,600	109,620	50,641	-	-	359	-	198,877	-	113,944
Supplies and operating expenses	8,314	134	361,540	71,925	-	11,852	157,949	-	475,734	54	122,021
Utilities	18,807	-	87,861	24,116	-	6,266	147	-	245,276	-	30,352
Total expenses before depreciation	171,489	13,182	6,303,788	3,509,454	-	59,625	541,673	-	10,858,072	1,770	4,932,608
Depreciation	31,845	-	177,927	30,577	-	54,242	7	-	467,841	-	199,940
Total expenses	203,334	13,182	6,481,715	3,540,031	-	113,867	541,680	-	11,325,913	1,770	5,132,548
Change in net assets before non-operating income (loss)	63,613	(13,164)	520,881	(30,738)	196,763	(110,846)	103,171	69,953	320,205	410	697,679
Non-Operating Income:											
Non-operating gains (losses)	-	-	(451,091)	-	-	(388,284)	293,083	661,565	58,892	-	20,069
Transfer of assets	-	-	5,185,510	-	-	(5,185,510)	-	-	-	-	-
Total non-operating income	-	-	4,734,419	-	-	(5,573,794)	293,083	661,565	58,892	-	20,069
Change in net assets after non-operating income	63,613	(13,164)	5,255,300	(30,738)	196,763	(5,684,640)	396,254	731,518	379,097	410	717,748
Net Assets:											
Beginning of year	803,406	(80,731)	2,142,639	555,391	289,775	5,684,640	12,317,676	2,934,445	389,290	50,916	1,148,470
End of year	$ 867,019	$ (93,895)	$ 7,397,939	$ 524,653	$ 486,538	$ -	$ 12,713,930	$ 3,665,963	$ 768,387	$ 51,326	$ 1,866,218

INPERIUM, INC.

CONSOLIDATING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2021
(Continued)

	ALVARIUM	ALVARIUM PERSONAL CARE	SUPPORTIVE CONCEPTS	HARMONYCREST	PERSON DIRECTED CLINICAL SERVICES	FORTIS HOLDINGS	FORTIS HOUSING	S AUTOMOTIVE & FLEET SERVICES	SUSTAINABLE ENERGY & LIGHTING SOLUTIONS
Public Support, Revenues, Gains, and Other Support									
Contract revenue	$ 4,000,286	$ -	$ 64,209,377	$ -	$ 476,383	$ -	$ -	$ -	$ -
Contributions/grants	-	2,181	20,748	-	-	-	-	-	-
Client fees	113,416	1,163,941	2,485,610	162,921	-	-	-	-	-
Other program fees	-	-	59,660	-	-	-	-	-	-
Other income	4,046	1,602	355,065	200	5	-	28,079	6,782	23
Interest Income	-	-	133	-	-	-	-	741	-
COVID Revenue	51,672	564,280	2,591,582	118,666	285,591	-	-	75,107	80,920
Inherent contributions of net assets from affiliates	-	-	-	-	-	-	-	-	-
Sales (net discounts)	-	55,838	-	-	740,088	-		578,552	207,680
Intercompany revenues	-	3,258	302,399	846,043	1,392,696	-	474,177	495,676	317,985
Total public support, revenues, gains, and other support	4,169,420	1,791,100	70,024,574	1,127,830	2,894,763	-	502,256	1,156,858	606,608
Expenses:									
Payroll	2,267,760	1,420,162	36,614,426	538,439	1,705,814	-	62,629	423,270	256,531
Payroll taxes and employee benefits	369,523	198,527	8,751,556	122,870	422,977	-	13,905	95,824	77,870
Total payroll and related expenses	2,637,283	1,618,689	45,365,982	661,309	2,128,791	-	76,534	519,094	334,401
Client transportation	53,556	10,786	1,186,493	4,053	13,185	-	1,348	11,030	36,620
Communications	15,660	67,431	395,984	4,114	23,383	-	41	6,463	3,348
Contract personnel	138,672	36,461	3,216,551	17,695	11,527	19,026	1,500	2,411	7,753
Housekeeping expense	40,775	152,996	944,481	48,481	45	-	-	-	-
Insurance expense	19,460	18,798	554,872	6,099	11,080	-	1,091	11,140	3,870
Interest expense	14,267	31,591	96,414	32,016	29,016	4,295	180,401	1,561	5,228
Maintenance and repairs	71,026	128,834	1,240,869	45,995	2,274	-	5,793	8,446	975
Management fees	416,942	178,012	8,389,126	112,783	275,400		24,894	72,900	48,600
Rent expense	172,303	-	2,060,592	47,938	7,444	-	-	57,139	1,056
Supplies and operating expenses	69,817	127,863	788,437	36,113	21,707	-	4,623	352,493	128,659
Utilities	59,148	85,583	976,892	10,489	1,875	-	1,665	9,918	958
Total expenses before depreciation	3,708,909	2,457,044	65,216,693	1,027,085	2,525,727	23,321	297,890	1,052,595	571,468
Depreciation	27,985	208,511	432,214	973	2,410	-	238,936	16,299	5,981
Total expenses	3,736,894	2,665,555	65,648,907	1,028,058	2,528,137	23,321	536,826	1,068,894	577,449
Change in net assets before non-operating income (loss)	432,526	(874,455)	4,375,667	99,772	366,626	(23,321)	(34,570)	87,964	29,159
Non-Operating Income:									
Non-operating gains (losses)	(38,119)	(3,897)	(524,262)	-	(20,197)	-	1,064	-	-
Transfer of assets	-	-	-	-	-	-	-	-	-
Total non-operating income	(38,119)	(3,897)	(524,262)	-	(20,197)	-	1,064	-	-
Change in net assets after non-operating income	394,407	(878,352)	3,851,405	99,772	346,429	(23,321)	(33,506)	87,964	29,159
Net Assets:									
Beginning of year	(309,960)	(217,483)	18,699,906	194,772	268,524	(192,708)	779,968	77,789	(558,100)
End of year	$ 84,447	$ (1,095,835)	$ 22,551,311	$ 294,544	$ 614,953	$ (216,029)	$ 746,462	$ 165,753	$ (528,941)

INPERIUM, INC.

CONSOLIDATING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2021

	INPERIUM MANAGEMENT SERVICES	ALTERNATIVE CONSULTING ENTERPRISES	HONEYTHRIVE	ANCHORS FROM CAROL	CONEXIO CARE	CORAS WELLNESS & RECOVERY CENTER	Eliminations/ Reclasses	Consolidated Totals
Public Support, Revenues, Gains, and Other Support								
Contract revenue	$ -	$ 1,707,562	$ -	$ -	$ 1,425,625	$ 284,253	$ -	$ 126,017,592
Contributions/grants	-	-	-	1,067	-	-	-	7,555,672
Client fees	-	-	-	-	14,627	5,248	-	4,688,182
Other program fees	-	-	-	-	-	11,144	-	2,006,244
Other income	-	-	-	-	282,199	549,140	-	2,645,213
Interest Income	-	-	-	-	-	-	-	184,001
COVID Revenue	-	353,760	-	-	-	-	-	10,007,634
Inherent contributions of net assets from affiliates	-	-	-	-	2,515,000	-	-	3,004,591
Sales (net discounts)	1,745,751	-	-	-	3,404	-	(1,628,634)	3,537,620
Intercompany revenues	-	-	-	-	-	-	(4,600,526)	-
Total public support, revenues, gains, and other support	1,745,751	2,061,322	-	1,067	4,240,855	849,785	(6,229,160)	159,646,749
Expenses:								
Payroll	722,641	755,303	-	-	1,016,343	693,558	-	89,113,653
Payroll taxes and employee benefits	84,606	143,251	-	-	200,177	133,861	-	20,125,570
Total payroll and related expenses	807,247	898,554	-	-	1,216,520	827,419	-	109,239,223
Client transportation	12,651	1,657	-	-	202,628	14,802	(484,471)	1,712,195
Communications	14,492	17,857	-	-	12,538	3,537		1,436,528
Contract personnel	32,402	1,231,645	2,794	932	1,053,402	14,315	(2,166,351)	13,485,322
Housekeeping expense	245	286	-	-	51,218	13,183	-	2,343,749
Insurance expense	5,238	26,150	-	-	87,717	39,680	-	2,003,207
Interest expense	16,857	10,343	373	224	40	2	(1,140,256)	713,935
Maintenance and repairs	724	17,246	-	-	202,112	17,273	(316,567)	2,675,105
Management fees	129,600	206,132			-	-	-	-
Rent expense	2,138	99,561	-	-	76,573	65,232	(463,430)	3,577,559
Supplies and operating expenses	812,879	79,052	-	457	39,805	46,065	(1,658,085)	6,315,801
Utilities	298	11,367	-	-	45,304	11,736	-	2,160,304
Total expenses before depreciation	1,834,771	2,599,850	3,167	1,613	2,987,857	1,053,244	(6,229,160)	145,662,928
Depreciation	16,679	25,685	-	-	-	1,150,000	-	6,040,035
Total expenses	1,851,450	2,625,535	3,167	1,613	2,987,857	2,203,244	(6,229,160)	151,702,963
Change in net assets before non-operating income (loss)	(105,699)	(564,213)	(3,167)	(546)	1,252,998	(1,353,459)	-	7,943,786
Non-Operating Income:								
Non-operating gains (losses)	(6,500)	(1,307,650)	-	-	-	-	-	(1,145,257)
Transfer of assets	-	-	-	-	-	-	-	-
Total non-operating income	(6,500)	(1,307,650)	-	-	-	-	-	(1,145,257)
Change in net assets after non-operating income	(112,199)	(1,871,863)	(3,167)	(546)	1,252,998	(1,353,459)	-	6,798,529
Net Assets:								
Beginning of year	(245,175)	(1,622,866)	(15,244)	(2,173)	-	-	-	52,120,346
End of year	$ (357,374)	$ (3,494,729)	$ (18,411)	$ (2,719)	$ 1,252,998	$ (1,353,459)	$ -	$ 58,918,875