

DETROIT CATHOLIC PASTORAL ALLIANCE
CONSOLIDATED FINANCIAL STATEMENTS
JULY 31, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

TOGETHER WITH INDEPENDENT AUDITORS' REPORT

DETROIT CATHOLIC PASTORAL ALLIANCE
CONSOLIDATED FINANCIAL STATEMENTS
JULY 31, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

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**GREGORY
TERRELL
& COMPANY**

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Detroit Catholic Pastoral Alliance

We have audited the accompanying consolidated statement of financial position of Detroit Catholic Pastoral Alliance (a Michigan non-profit Organization) as of July 31, 2019, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

Opinion

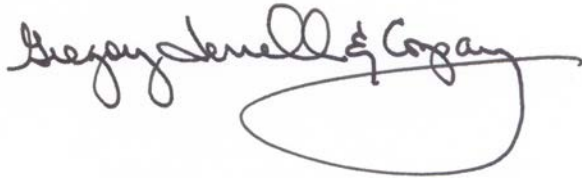
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Detroit Catholic Pastoral Alliance, at July 31, 2019 and the consolidated changes in their net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We previously audited Detroit Catholic Pastoral Alliance's July 31, 2018 consolidated financial statements, and our report dated March 21, 2019, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended July 31, 2018, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Matters

The supplemental information contained on pages 17 and 18 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and changes in net assets of the individual organizations. Such information has been subjected to the procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

A handwritten signature in cursive script that reads "Gregory Terrell & Company". The signature is written in dark ink and is positioned above the company name.

GREGORY TERRELL & COMPANY
Certified Public Accountants

June 11, 2020

DETROIT CATHOLIC PASTORAL ALLIANCE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JULY 31, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

ASSETS

	<u>2019</u>	<u>2018</u>
Current Assets		
Cash	\$ 75,934	\$ 416,728
Grants Receivable	30,000	94,694
Accounts Receivable	25,138	29,233
Prepaid Expenses	72,837	57,758
Notes Receivable - Current Portion	<u>9,741</u>	<u>10,939</u>
Total Current Assets	\$ 213,650	\$ 609,352
Note Receivable - Net of Current Portion	84,708	92,918
Real Property Held for Development	755,087	732,551
Property and Equipment (Net)	221,835	230,289
Property Held for Sale	293,925	122,657
Property Leased to Others	<u>4,827,471</u>	<u>4,963,359</u>
Total Assets	<u>\$ 6,396,676</u>	<u>\$ 6,751,126</u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts Payable	\$ 19,148	\$ 33,493
Deferred Revenue	2,000	930
Notes Payable - Current Portion	1,090,637	654,688
Deposits	<u>19,952</u>	<u>17,769</u>
Total Current Liabilities	\$ 1,131,737	\$ 706,880
Long-Term Liabilities		
Notes Payable (Net of Current Portion)	<u>2,946,493</u>	<u>3,563,291</u>
Total Liabilities	<u>\$ 4,078,230</u>	<u>\$ 4,270,171</u>
Net Assets		
Without Donor Restrictions	<u>\$ 2,318,446</u>	<u>\$ 2,480,955</u>
Total Net Assets	<u>\$ 2,318,446</u>	<u>\$ 2,480,955</u>
Total Liabilities and Net Assets	<u>\$ 6,396,676</u>	<u>\$ 6,751,126</u>

The accompanying notes are an integral part of this financial statement.

DETROIT CATHOLIC PASTORAL ALLIANCE
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JULY 31, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	Total
PUBLIC SUPPORT AND REVENUE				
Grants and Contributions	\$ 88,393	\$ 87,306	\$ 175,699	\$ 526,505
Membership Fees/Dues	9,957	-	9,957	12,225
Annual Dinner (Net of Expenses of \$16,734 in 2019 and \$14,127 in 2018)	11,292	-	11,292	12,054
Rental Income	357,189	-	357,189	372,628
Urban Parish	3,382	-	3,382	3,261
Other Income	16,523	-	16,523	19,204
Housing Developer Fee Income	-	-	-	75,336
Net Assets Released From Restrictions	87,306	(87,306)	-	-
Total Public Support and Revenue	\$ 574,042	\$ -	\$ 574,042	\$ 1,021,213
EXPENSES				
Program Services	\$ 595,707	\$ -	\$ 595,707	\$ 733,536
Supporting Services	140,844	-	140,844	214,482
Total Expenses	\$ 736,551	\$ -	\$ 736,551	\$ 948,018
CHANGE IN NET ASSETS	\$ (162,509)	\$ -	\$ (162,509)	\$ 73,195
NET ASSETS, Beginning of Year	2,480,955	-	2,480,955	2,407,760
NET ASSETS, End of Year	\$ 2,318,446	\$ -	\$ 2,318,446	\$ 2,480,955

The accompanying notes are an integral part of this financial statement.

DETROIT CATHOLIC PASTORAL ALLIANCE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JULY 31, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

	2019			2018
	<u>Program</u> <u>Services</u>	<u>Supporting Services</u> <u>General and</u> <u>Administration</u>	<u>Total</u> <u>Expenses</u>	<u>Total</u> <u>Expenses</u>
Salaries	\$ 126,314	\$ 54,931	\$ 181,245	\$ 188,590
Employee Benefits	2,226	954	3,180	3,180
Taxes - Payroll	10,572	4,560	15,132	15,598
Education and Training	374	2,575	2,949	2,654
Insurance	14,350	30,363	44,713	50,929
Interest	88,660	4,666	93,326	84,524
Mileage and Parking	641	45	686	738
Postage	1,380	-	1,380	1,992
Professional Fees	1,992	20,597	22,589	20,736
Program Expenses-				
Beautification	2,976	-	2,976	2,931
Epiphany Education	-	-	-	10,000
Pre-development	3,600	-	3,600	115,751
Office Expense	-	2,904	2,904	3,595
Repairs and Maintenance	106,804	298	107,102	93,991
Supplies	3,711	2,770	6,481	2,351
Taxes -Other	21,381	-	21,381	13,971
Telephone	2,597	5,318	7,915	8,597
Utilities	37,153	1,955	39,108	37,720
Miscellaneous	14,579	454	15,033	48,409
Subtotal	\$ 439,310	\$ 132,390	\$ 571,700	\$ 706,257
Loss on Sale of Property	-	-	-	77,581
Depreciation	156,397	8,454	164,851	164,180
Total Expenses	<u>\$ 595,707</u>	<u>\$ 140,844</u>	<u>\$ 736,551</u>	<u>\$ 948,018</u>

The accompanying notes are an integral part of this financial statement.

DETROIT CATHOLIC PASTORAL ALLIANCE
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JULY 31, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (162,509)	\$ 73,195
Adjustments to Reconcile Change in Net Assets to Cash (used for) or provided by operating Activities -		
Depreciation Expense	164,851	164,180
Loss on Sale of Property	-	77,581
Change in Grants Receivable	64,694	(30,278)
Change in Accounts Receivable	4,095	(14,025)
Change in Prepaid Expenses	(15,079)	(34,153)
Change in Accounts Payable	(14,345)	(12,637)
Change in Deferred Revenue	1,070	(3,050)
Change in Deposits	<u>2,183</u>	<u>(1,777)</u>
Net Cash Provided by Operating Activities	<u>\$ 44,960</u>	<u>\$ 219,036</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Real Property Development Additions	\$ (193,804)	\$ (238,650)
Property Additions	(20,336)	-
Principal Payments from Note Receivable	<u>9,408</u>	<u>6,143</u>
Net cash Used for Investing Activities	<u>\$ (204,732)</u>	<u>\$ (232,507)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Loans	\$ -	\$ 980,000
Principal Payments on Notes Payable	<u>(181,022)</u>	<u>(597,807)</u>
Net Cash Provided by (Used for) Financing Activities	<u>\$ (181,022)</u>	<u>\$ 382,193</u>
Net Increase (Decrease) in Cash	\$ (340,794)	\$ 368,722
CASH, Beginning of Year	<u>416,728</u>	<u>48,006</u>
CASH, End of Year	<u><u>\$ 75,934</u></u>	<u><u>\$ 416,728</u></u>
Supplemental Disclosure:		
Interest Paid	<u><u>\$ 93,326</u></u>	<u><u>\$ 84,524</u></u>

The accompanying notes are an integral part of this financial statement.

DETROIT CATHOLIC PASTORAL ALLIANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JULY 31, 2019

(1) **NATURE OF OPERATIONS**

Detroit Catholic Pastoral Alliance (the "Organization") is a non-profit organization located in the City of Detroit, Michigan. The Organization has five main programs: Affordable Housing Development, Economic Development, Anti-Racism Training, Community Action, and Senior Network. The Organization's membership includes fifteen city churches and over 600 parish members and residents of the metropolitan Detroit area. It is the Organization's mission to pool the forces and resources of its membership together to strengthen the economic, social, and educational quality of life in the City of Detroit.

The Organization has established 8900 Gratiot, LLC, a wholly-owned subsidiary formed to act as the developer for the 8900 Gratiot construction project, 249 E, Baltimore, LLC, a wholly-owned subsidiary formed for real estate development and Gratiot Woods Construction, LLC, a wholly-owned subsidiary formed to act as general contractor for certain commercial and residential construction and rehabilitation projects.

The Organization maintains a 51% ownership interest in 9100 Gratiot Central Commons MM, LLC, a Michigan limited liability company ("Central Commons"). Central Commons was organized for the purpose of owning, developing, operating, managing, and leasing residential projects undertaken by 9100 Gratiot Limited Dividend Housing Association in Detroit, Michigan through funds secured by Low-Income Tax Credits and external debt. Central Commons has a .01% ownership interest in 9100 Gratiot Limited Dividend Housing Association, LLC.

The Organization is the sole member of Milwaukee DCPA, LLC that maintains a .0051% ownership in Milwaukee Junction Limited Dividend Housing Association, LLC.

(2) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Principles of Consolidation

The consolidated financial statements include the accounts of the Organization and its subsidiaries. All material intercompany balances and transactions have been eliminated in the accompanying consolidated financial statements.

Basis of Accounting

The accompanying consolidated financial statements are prepared on the accrual basis of accounting.

DETROIT CATHOLIC PASTORAL ALLIANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JULY 31, 2019
(Continued)

(2) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

Adoption of New Reporting Standard

The Organization adopted FASB issued ASU 2016-14, Not-for Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return.

Financial Statement Presentation

Net assets of the Organization and changes therein, are classified and reported as follows:

Net assets without donor restrictions are net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

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

The Organization has adopted the industry guide for Audits of Not-for-Profit Entities published by the American Institute of Certified Public Accountants. The accompanying financial statements have been prepared to conform to the requirements of the guide. Under the guide, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: Without Donor Restrictions, and With Donor Restrictions.

DETROIT CATHOLIC PASTORAL ALLIANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JULY 31, 2019
(Continued)

(2) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

Revenue Recognition

Revenues are recorded as With Donor Restrictions or Without Donor Restrictions depending on the existence and/or nature of any donor restrictions. Revenues are reported as increases in without donor restrictions net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in without donor restrictions net assets. Gains and losses on assets or liabilities are reported as increases or decreases in without donor restrictions net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated period has elapsed) are reported as without donor restrictions net assets.

Advertising

All advertising costs are expensed as incurred.

Properties

Properties include properties held for sale, properties leased to others, and property and equipment used for administrative purposes by the Organization. Properties are defined by the Organization as assets with an initial cost of more than \$400 and an estimated useful life more than one year. These assets and improvements to these assets are recorded at historical cost, whether purchased or constructed.

Properties are depreciated using the straight-line method over the following useful lives:

Buildings and Improvements	39 years
Equipment	5 years
Properties Leased to Others	20-39 years

Income Taxes

The Organization is a non-profit organization exempt from Federal income taxes under Section 501 (c) (3) of the Internal Revenue Code. 8900 Gratiot, LLC, 249 E. Baltimore, LLC and Gratiot Woods Construction, LLC have been established as pass-through entities for tax purposes. Therefore, no provisions for federal income taxes have been made in the accompanying consolidated financial statements.

DETROIT CATHOLIC PASTORAL ALLIANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JULY 31, 2019
(Continued)

(2) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates.

(3) **CASH**

The Organization has cash deposits with financial institutions. At July 31, 2019, the bank balances of the Organization's accounts (without recognition of checks written but not yet cleared, or of deposits in transit) were \$81,778, all of which was insured by the Federal Deposit Insurance Corporation.

(4) **NOTE RECEIVABLE**

The Organization entered into a Land Contract dated December 1, 2017, after a sale of property for \$110,000. The terms of this contract include payment of principal of \$60,000 at interest of 3% per annum paid in monthly installments of \$911.26 per month for 72 months. The entire remaining balance of principal and interest is to be paid in a full balloon payment on or before 15 years after the date of the Land Contract. The final balloon payment shall be waived if certain conditions are met.

The current and long-term portion of this note is as follows:

2020	\$ 9,741
2021-2034	<u>84,708</u>
Total	<u><u>\$ 94,449</u></u>

DETROIT CATHOLIC PASTORAL ALLIANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JULY 31, 2019
(Continued)

(5) PROPERTY AND EQUIPMENT

Property and Equipment at July 31, 2019 consisted of the following:

Buildings and Improvements	\$ 329,692
Equipment	<u>13,826</u>
Total	\$ 343,518
Less Accumulated Depreciation	<u>(121,683)</u>
Net Property and Equipment	<u><u>\$ 221,835</u></u>

(6) PROPERTY LEASED TO OTHERS

Property leased to others represents rental units and related building improvements, which are recorded at cost and depreciated on a straight-line basis over their estimated economic lives, ranging from 20 to 39 years. Total depreciation expense for fiscal year 2019 was \$156,224. Many of these assets are leased on an annual basis.

9305 Felch	\$ 1,072,566
8900 Gratiot Residential	2,489,925
8900 Gratiot Commercial	1,523,002
9200 Gratiot DCPA Building	913,364
5807 McClellan	<u>104,046</u>
Total	\$ 6,102,903
Less Accumulated Depreciation	<u>(1,275,432)</u>
Net Property Leased to Others	<u><u>\$ 4,827,471</u></u>

DETROIT CATHOLIC PASTORAL ALLIANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JULY 31, 2019
(Continued)

(7) NOTES PAYABLE

Notes Payable at July 31, 2019 consisted of the following:

Unsecured Notes Payable:

Congregation of St. Joseph, due 2/1/20 requiring interest only payments at 3% per annum	\$ 60,000
Congregation of St. Joseph, due 12/31/20 requiring interest only payments at 1% per annum	137,000
Seton Enablement Fund, due 10/1/20 interest of 3% per annum and monthly principal and interest payments of \$647	9,509
Seton Enablement Fund, due 1/1/23 interest of 3% per annum and monthly principal and interest payments of \$1,795	71,500
Sisters IHM, due 3/15/23 interest of 4% per annum and monthly principal and interest payments of \$300	25,881
Racine Dominican Sisters, due 4/1/22 interest at 2% requiring quarterly principal and interest payments of \$250	60,000

Secured Notes Payable:

Mercy Partnership Fund, due 10/4/20 interest of 3% per annum and monthly principal and interest payments of \$1,823	124,539
City of Detroit, construction loan (\$800,000) requiring interest only payments of 1% and 240 monthly payments of \$666.67 commencing 9/1/13 and 100% principal payment due 7/1/33	800,000
City of Detroit, construction loan (\$1,251,312) requiring 0% interest and maturing 7/1/33; the loan self amortizes annually in equal amounts until the principal is deemed paid in full	866,839
Chemical Bank, due 4/30/20 with interest of 4.75% per annum requiring monthly principal and interest payments of \$6,190	505,760
IFF Bank, due 09/30/19 with interest of 5.375% per annum requiring monthly interest payments of (with \$26,599 hold in interest escrow account)	336,400
IFF Bank, due 11/1/32 with interest of 6% per annum requiring monthly principal and interest payments of \$3,016	400,877
IFF Bank, due 1/1/33 with interest of 6% per annum requiring monthly principal and interest payments of \$3,095	415,443
IFF Bank, due 1/31/20 with interest of 5.625% per annum requiring monthly interest payments	43,000
IFF Bank, due 2/28/20 with interest of 5.625% per annum requiring monthly interest payments	84,000
IFF Bank, due 12/01/29 with interest of 5.375% per annum requiring monthly principal and interest payments of \$1,009	<u>96,382</u>
Total	\$ 4,037,130
Less: Current Portion	<u>(1,090,637)</u>
Long-Term Portion	<u>\$ 2,946,493</u>

DETROIT CATHOLIC PASTORAL ALLIANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JULY 31, 2019
(Continued)

(7) **NOTES PAYABLE** (cont'd)

The future maturities for the notes payable are as follows:

2020		\$ 1,090,637
2021		319,995
2022		119,286
2023		53,331
2024		55,553
2025-2029		242,791
2030-2033		<u>2,155,537</u>
Total		<u>\$ 4,037,130</u>

The secured Notes Payable is secured by mortgages on real property held by the Organization. The Organization did not meet the IFF debt coverage ratios during the fiscal year ended July 31, 2019.

(8) **LEASES**

The Organization leases certain equipment under operating leases. The minimum future lease payments are as follows:

2020		\$ 3,480
2021		3,480
2022		3,480
2023		<u>870</u>
Total		<u>\$ 11,310</u>

DETROIT CATHOLIC PASTORAL ALLIANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JULY 31, 2019
(Continued)

(9) **NET ASSETS**

Net Assets with Donor Restrictions were released from restrictions during the year ended July 31, 2019 as follows:

Program Restrictions Were Net:

5843 McClellan Rehabilitation	\$ 66,436
Nativity Grant	<u>20,870</u>
Total Net Assets Released	<u>\$ 87,306</u>

(10) **COMMITMENTS AND CONTINGENCIES**

The Organization has received various Federal loans and grants to fund operating costs as well as project costs. These Federal loans and grants contain provisions and other requirements that must be complied with by the Organization and are subject to audit and/or review. If the Federal loans or grants requirements are not met by the Organization, the Organization may be required to accelerate payment of the loans or reimburse the grantor agencies for grant funds expended.

(11) **2018 FINANCIAL DATA**

The consolidated financial statements include certain prior year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended July 31, 2018.

DETROIT CATHOLIC PASTORAL ALLIANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JULY 31, 2019
(Continued)

(12) **AVAILABILITY AND LIQUIDITY**

The following represents the Organization's financial assets at July 31, 2019:

Financial Assets at Year End:

Cash	\$ 75,934
Grants Receivable	30,000
Accounts Receivable	25,138
Note Receivable - Current Portion	<u>9,741</u>
Total	\$ 140,813

Less Amounts Not Available to be Used Within One Year -

**Financial Assets Available to Meet General Expenses
Over the Next Twelve Months** \$ 140,813

(13) **SUBSEQUENT EVENTS**

Subsequent events have been evaluated through June 11, 2020, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether changes to the financial statements would be required.

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, as of March 23, 2020, Michigan governor Gretchen Whitmer ordered the closure of the physical location of every "non-life sustaining" business for what may be an extended period. The Organization closed their physical office location and all employees were required to work remotely. Future potential impacts may include continued disruptions or restrictions on the Organization's employees' ability to work and impairment of our ability to complete development projects within budget. The future effects of these issues are unknown.

The Organization entered into an agreement in December 2019, to sell real property located 249 E. Baltimore in Detroit, Michigan, for \$825,000.

SUPPLEMENTAL SCHEDULES

DETROIT CATHOLIC PASTORAL ALLIANCE
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JULY 31, 2019

ASSETS	Detroit Catholic		Gratiot Woods		Intercompany	Consolidated
	<u>Pastoral Alliance</u>	<u>8900 Gratiot LLC</u>	<u>Construction LLC</u>	<u>249 E. Baltimore LLC</u>	<u>Eliminations</u>	<u>Total</u>
Current Assets						
Cash	\$ 16,874	\$ 52,606	\$ 6,454	\$ -	\$ -	\$ 75,934
Grants Receivable	30,000	-	-	-	-	30,000
Accounts Receivable	18,655	6,483	-	-	-	25,138
Prepaid Expenses	58,438	14,399	-	-	-	72,837
Notes Receivable - Current Portion	<u>9,741</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,741</u>
Total Current Assets	\$ 133,708	\$ 73,488	\$ 6,454	\$ -	\$ -	\$ 213,650
Note Receivable - Net of Current Portion	84,708	-	-	-	-	84,708
Real Property Held for Development	1,397,505	-	-	-	(642,418)	755,087
Property and Equipment (Net)	221,835	-	-	-	-	221,835
Property Held for Sale	100,811	-	17,250	192,500	(16,636)	293,925
Property Leased to Others	<u>1,430,285</u>	<u>3,397,186</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,827,471</u>
Total Assets	<u>\$ 3,368,852</u>	<u>\$ 3,470,674</u>	<u>\$ 23,704</u>	<u>\$ 192,500</u>	<u>\$ (659,054)</u>	<u>\$ 6,396,676</u>
LIABILITIES AND NET ASSETS						
Current Liabilities						
Accounts Payable	\$ 18,548	\$ 600	\$ -	\$ -	\$ -	\$ 19,148
Deferred Revenue	2,000	-	-	-	-	2,000
Notes Payable - Current Portion	1,046,404	44,233	-	-	-	1,090,637
Deposits	<u>9,397</u>	<u>10,555</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,952</u>
Total Current Liabilities	\$ 1,076,349	\$ 55,388	\$ -	\$ -	\$ -	\$ 1,131,737
Long-Term Liabilities						
Notes Payable (Net of Current Portion)	<u>436,067</u>	<u>2,510,426</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,946,493</u>
Total Liabilities	<u>\$ 1,512,416</u>	<u>\$ 2,565,814</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>4,078,230</u>
Net Assets						
Without Donor Restrictions	<u>\$ 1,856,436</u>	<u>\$ 904,860</u>	<u>\$ 23,704</u>	<u>\$ 192,500</u>	<u>\$ (659,054)</u>	<u>\$ 2,318,446</u>
Total Net Assets	<u>\$ 1,856,436</u>	<u>\$ 904,860</u>	<u>\$ 23,704</u>	<u>\$ 192,500</u>	<u>\$ (659,054)</u>	<u>\$ 2,318,446</u>
Total Liabilities and Net Assets	<u>\$ 3,368,852</u>	<u>\$ 3,470,674</u>	<u>\$ 23,704</u>	<u>\$ 192,500</u>	<u>\$ (659,054)</u>	<u>\$ 6,396,676</u>

DETROIT CATHOLIC PASTORAL ALLIANCE
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JULY 31, 2019

	Detroit Catholic		Gratiot Woods		Intercompany Eliminations	Consolidated Total
	Pastoral Alliance	8900 Gratiot LLC	Construction LLC	249 E. Baltimore LLC		
PUBLIC SUPPORT AND REVENUE						
Grants and Contributions	\$ 115,168	\$ 60,531	\$ 25,000	\$ -	\$ (25,000)	\$ 175,699
Membership Fees/Dues	9,957	-	-	-	-	9,957
Annual Dinner (Net of Expenses of \$16,734)	11,292	-	-	-	-	11,292
Rental Income	157,743	199,446	-	-	-	357,189
Urban Parish	3,382	-	-	-	-	3,382
Other Income	9,124	2,399	117,307	-	(112,307)	16,523
Management Fee Income	364,000	-	-	-	(364,000)	-
Total Public Support and Revenue	<u>\$ 670,666</u>	<u>\$ 262,376</u>	<u>\$ 142,307</u>	<u>\$ -</u>	<u>\$ (501,307)</u>	<u>\$ 574,042</u>
EXPENSES						
Program Services	\$ 382,066	\$ 213,641	\$ 166,269	\$ -	\$ (166,269)	\$ 595,707
Supporting Services	140,844	364,000	-	-	(364,000)	140,844
Total Expenses	<u>\$ 522,910</u>	<u>\$ 577,641</u>	<u>\$ 166,269</u>	<u>\$ -</u>	<u>\$ (530,269)</u>	<u>\$ 736,551</u>
CHANGE IN NET ASSETS, Before Other Changes	\$ 147,756	\$ (315,265)	(23,962)	\$ -	\$ 28,962	\$ (162,509)
OTHER CHANGES IN NET ASSETS						
Transfer of Real Property	(192,500)	-	-	192,500	-	-
CHANGE IN NET ASSETS	\$ (44,744)	\$ (315,265)	\$ (23,962)	\$ 192,500	\$ 28,962	\$ (162,509)
NET ASSETS, Beginning of Year	1,901,180	1,220,125	47,666	-	(688,016)	2,480,955
NET ASSETS, End of Year	<u>\$ 1,856,436</u>	<u>\$ 904,860</u>	<u>\$ 23,704</u>	<u>\$ 192,500</u>	<u>\$ (659,054)</u>	<u>\$ 2,318,446</u>