FINANCIAL STATEMENTS

June 30, 2021 and 2020
## CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>INDEPENDENT AUDITORS’ REPORT</td>
<td>3</td>
</tr>
<tr>
<td>FINANCIAL STATEMENTS</td>
<td></td>
</tr>
<tr>
<td>CONSOLIDATED STATEMENTS OF FINANCIAL POSITION</td>
<td>5</td>
</tr>
<tr>
<td>CONSOLIDATED STATEMENTS OF ACTIVITIES</td>
<td>6</td>
</tr>
<tr>
<td>CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES</td>
<td>7</td>
</tr>
<tr>
<td>CONSOLIDATED STATEMENTS OF CASH FLOWS</td>
<td>9</td>
</tr>
<tr>
<td>NOTES TO FINANCIAL STATEMENTS</td>
<td>10</td>
</tr>
<tr>
<td>SUPPLEMENTARY INFORMATION</td>
<td></td>
</tr>
<tr>
<td>CONSOLIDATING STATEMENT OF FINANCIAL POSITION</td>
<td>22</td>
</tr>
<tr>
<td>CONSOLIDATING STATEMENT OF ACTIVITIES</td>
<td>23</td>
</tr>
</tbody>
</table>
Independent Auditors’ Report

Board of Directors
Marian Middle School

We have audited the accompanying consolidated financial statements of Marian Middle School (a Missouri corporation, not-for-profit) and affiliate, which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

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

Auditors’ Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits 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 consolidated financial statements. The procedures selected depend on the auditors’ 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 Marian Middle School and affiliate as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.
Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information as listed in the table of contents 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.

St. Louis, Missouri
December 6, 2021
Marian Middle School and Affiliate
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
June 30,

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$2,505,549</td>
<td>$935,262</td>
</tr>
<tr>
<td>Investments, including working capital reserve</td>
<td>1,697,548</td>
<td>2,050,564</td>
</tr>
<tr>
<td>Grants and contributions receivable - net</td>
<td>93,190</td>
<td>188,856</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>18,718</td>
<td>3,948</td>
</tr>
<tr>
<td>Property and equipment - net</td>
<td>3,437,423</td>
<td>2,585,673</td>
</tr>
<tr>
<td>Cash and cash equivalents whose use is limited</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital improvements and other costs under New Market Tax Credit Financing Agreement</td>
<td>177,188</td>
<td>1,178,810</td>
</tr>
<tr>
<td>Transforming Lives, Building for our Future Campaign</td>
<td>42,818</td>
<td>493,353</td>
</tr>
<tr>
<td>Endowment for graduate support</td>
<td>468,824</td>
<td>68,378</td>
</tr>
<tr>
<td>Contributions receivable restricted for the Transforming Lives, Building for our Future Campaign - net</td>
<td>918,038</td>
<td>1,286,436</td>
</tr>
<tr>
<td>Note receivable</td>
<td>3,419,337</td>
<td>3,419,337</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$12,778,633</strong></td>
<td><strong>$12,210,617</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND NET ASSETS</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$14,454</td>
<td>$55,023</td>
</tr>
<tr>
<td>Accrued liabilities</td>
<td>21,825</td>
<td>31,741</td>
</tr>
<tr>
<td>Payroll Protection Program loan</td>
<td>205,000</td>
<td>205,384</td>
</tr>
<tr>
<td>Long-term debt, net</td>
<td>4,865,387</td>
<td>4,995,912</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>5,106,666</strong></td>
<td><strong>5,288,060</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Net assets</strong></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Without donor restrictions</td>
<td>6,037,792</td>
<td>4,339,306</td>
</tr>
<tr>
<td>With donor restrictions</td>
<td>1,634,175</td>
<td>2,583,251</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>7,671,967</strong></td>
<td><strong>6,922,557</strong></td>
</tr>
</tbody>
</table>

**TOTAL LIABILITIES AND NET ASSETS**

<table>
<thead>
<tr>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$12,778,633</strong></td>
<td><strong>$12,210,617</strong></td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these statements.
Marian Middle School and Affiliate  
CONSOLIDATED STATEMENTS OF ACTIVITIES  
Years ended June 30,

<table>
<thead>
<tr>
<th></th>
<th>Without donor restrictions</th>
<th>With donor restrictions</th>
<th>Total</th>
<th>Without donor restrictions</th>
<th>With donor restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Support and revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and contributions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transforming Lives, Building for our Future Capital Campaign</td>
<td>$ -</td>
<td>$131,856</td>
<td>$131,856</td>
<td>$363,653</td>
<td>$246,581</td>
<td>$610,234</td>
</tr>
<tr>
<td>Other</td>
<td>1,700,608</td>
<td>122,027</td>
<td>1,822,635</td>
<td>1,243,371</td>
<td>230,371</td>
<td>1,473,742</td>
</tr>
<tr>
<td>Tuition</td>
<td>27,969</td>
<td>-</td>
<td>27,969</td>
<td>26,633</td>
<td>-</td>
<td>26,633</td>
</tr>
<tr>
<td>Lunch program</td>
<td>8,211</td>
<td>-</td>
<td>8,211</td>
<td>38,557</td>
<td>-</td>
<td>38,557</td>
</tr>
<tr>
<td>Net investment income</td>
<td>129,319</td>
<td>-</td>
<td>129,319</td>
<td>90,403</td>
<td>-</td>
<td>90,403</td>
</tr>
<tr>
<td>Gain on uncollectible grants and contributions receivable</td>
<td>-</td>
<td>17,658</td>
<td>17,658</td>
<td>-</td>
<td>42,083</td>
<td>42,083</td>
</tr>
<tr>
<td>Other</td>
<td>49,200</td>
<td>-</td>
<td>49,200</td>
<td>21,361</td>
<td>-</td>
<td>21,361</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$2,529,540</td>
<td>$271,541</td>
<td>$2,801,081</td>
<td>$2,333,423</td>
<td>$519,035</td>
<td>$2,852,458</td>
</tr>
<tr>
<td><strong>Net assets released from restrictions</strong></td>
<td>1,220,617</td>
<td>(1,220,617)</td>
<td>-</td>
<td>1,233,708</td>
<td>(1,233,708)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total support and revenue</strong></td>
<td>$3,750,157</td>
<td>(949,076)</td>
<td>$2,801,081</td>
<td>$3,567,131</td>
<td>(714,673)</td>
<td>$2,852,458</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Without donor restrictions</th>
<th>With donor restrictions</th>
<th>Total</th>
<th>Without donor restrictions</th>
<th>With donor restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Academic</td>
<td>824,970</td>
<td>-</td>
<td>824,970</td>
<td>857,674</td>
<td>-</td>
<td>857,674</td>
</tr>
<tr>
<td>Social services</td>
<td>123,379</td>
<td>-</td>
<td>123,379</td>
<td>134,678</td>
<td>-</td>
<td>134,678</td>
</tr>
<tr>
<td>Graduate support</td>
<td>445,805</td>
<td>-</td>
<td>445,805</td>
<td>378,345</td>
<td>-</td>
<td>378,345</td>
</tr>
<tr>
<td><strong>Total program services</strong></td>
<td>1,394,154</td>
<td>-</td>
<td>1,394,154</td>
<td>1,370,697</td>
<td>-</td>
<td>1,370,697</td>
</tr>
<tr>
<td>Supporting services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management and general</td>
<td>217,204</td>
<td>-</td>
<td>217,204</td>
<td>217,136</td>
<td>-</td>
<td>217,136</td>
</tr>
<tr>
<td>Fundraising</td>
<td>440,313</td>
<td>-</td>
<td>440,313</td>
<td>404,141</td>
<td>-</td>
<td>404,141</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>2,051,671</td>
<td>-</td>
<td>2,051,671</td>
<td>1,991,974</td>
<td>-</td>
<td>1,991,974</td>
</tr>
<tr>
<td><strong>INCREASE (DECREASE) IN NET ASSETS</strong></td>
<td>1,698,486</td>
<td>(949,076)</td>
<td>749,410</td>
<td>1,575,157</td>
<td>(714,673)</td>
<td>860,484</td>
</tr>
<tr>
<td><strong>Net assets at beginning of year</strong></td>
<td>4,339,306</td>
<td>2,583,251</td>
<td>6,922,557</td>
<td>2,764,149</td>
<td>3,297,924</td>
<td>6,062,073</td>
</tr>
<tr>
<td><strong>Net assets at end of year</strong></td>
<td>$6,037,792</td>
<td>$1,634,175</td>
<td>$7,671,967</td>
<td>$4,339,306</td>
<td>$2,583,251</td>
<td>$6,922,557</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these statements.
## CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

**Year ended June 30, 2021**

<table>
<thead>
<tr>
<th>Program services</th>
<th>Academic services</th>
<th>Social services</th>
<th>Graduate support</th>
<th>Total</th>
<th>Management and general</th>
<th>Fundraising</th>
<th>Total expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and benefits</td>
<td>$605,065</td>
<td>$75,830</td>
<td>$104,835</td>
<td>$785,730</td>
<td>$90,480</td>
<td>$249,735</td>
<td>$1,125,945</td>
</tr>
<tr>
<td>Supplies</td>
<td>8,763</td>
<td>3,586</td>
<td>256</td>
<td>12,605</td>
<td>192</td>
<td>256</td>
<td>13,053</td>
</tr>
<tr>
<td>Telephone</td>
<td>4,393</td>
<td>975</td>
<td>975</td>
<td>6,343</td>
<td>732</td>
<td>975</td>
<td>8,050</td>
</tr>
<tr>
<td>Postage and shipping</td>
<td>1,646</td>
<td>366</td>
<td>366</td>
<td>2,378</td>
<td>274</td>
<td>366</td>
<td>3,018</td>
</tr>
<tr>
<td>Occupancy</td>
<td>51,620</td>
<td>11,471</td>
<td>11,471</td>
<td>74,562</td>
<td>8,604</td>
<td>11,471</td>
<td>94,637</td>
</tr>
<tr>
<td>Printing and publications</td>
<td>107</td>
<td>24</td>
<td>24</td>
<td>155</td>
<td>18</td>
<td>7,513</td>
<td>7,686</td>
</tr>
<tr>
<td>Conferences, conventions and meetings</td>
<td>1,692</td>
<td>163</td>
<td>163</td>
<td>2,018</td>
<td>254</td>
<td>282</td>
<td>2,554</td>
</tr>
<tr>
<td>Depreciation</td>
<td>68,507</td>
<td>15,223</td>
<td>15,223</td>
<td>98,953</td>
<td>11,417</td>
<td>15,223</td>
<td>125,593</td>
</tr>
<tr>
<td>Interest</td>
<td>34,968</td>
<td>7,799</td>
<td>7,800</td>
<td>50,567</td>
<td>5,849</td>
<td>7,800</td>
<td>64,216</td>
</tr>
<tr>
<td>Athletic programs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Food program</td>
<td>10,626</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10,626</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dues and subscriptions</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>737</td>
<td>248</td>
<td>985</td>
<td>-</td>
</tr>
<tr>
<td>Special events and fundraising</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>21,282</td>
<td>21,282</td>
<td>-</td>
</tr>
<tr>
<td>Graduates support</td>
<td>-</td>
<td>-</td>
<td>300,103</td>
<td>300,103</td>
<td>-</td>
<td>-</td>
<td>300,103</td>
</tr>
<tr>
<td>Insurance</td>
<td>20,650</td>
<td>4,589</td>
<td>4,589</td>
<td>29,828</td>
<td>3,442</td>
<td>4,589</td>
<td>37,859</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>5,503</td>
<td>-</td>
<td>-</td>
<td>5,503</td>
<td>20,522</td>
<td>3,652</td>
<td>29,677</td>
</tr>
<tr>
<td>Recruiting</td>
<td>700</td>
<td>-</td>
<td>700</td>
<td>700</td>
<td>250</td>
<td>-</td>
<td>950</td>
</tr>
<tr>
<td>Technology</td>
<td>3,951</td>
<td>-</td>
<td>-</td>
<td>3,951</td>
<td>4,745</td>
<td>12,461</td>
<td>21,157</td>
</tr>
<tr>
<td>Student transportation</td>
<td>1,340</td>
<td>-</td>
<td>-</td>
<td>1,340</td>
<td>-</td>
<td>-</td>
<td>1,340</td>
</tr>
<tr>
<td>Board and volunteer</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>818</td>
<td>818</td>
<td>-</td>
</tr>
<tr>
<td>Professional services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>69,688</td>
<td>115,042</td>
<td>184,730</td>
<td>-</td>
</tr>
<tr>
<td>Academic Saturdays and field trips</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Culinary program</td>
<td>-</td>
<td>3,353</td>
<td>-</td>
<td>3,353</td>
<td>-</td>
<td>-</td>
<td>3,353</td>
</tr>
<tr>
<td>Counseling</td>
<td>5,439</td>
<td>-</td>
<td>-</td>
<td>5,439</td>
<td>-</td>
<td>-</td>
<td>5,439</td>
</tr>
</tbody>
</table>

Less expenses included with revenues in the statement of activities
Cost of direct benefits to donors

Total expenses included in the expense section in the statement of activities

<table>
<thead>
<tr>
<th>$</th>
<th>$</th>
<th>$</th>
<th>$</th>
<th>$</th>
<th>$</th>
<th>$</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>824,970</td>
<td>123,379</td>
<td>445,805</td>
<td>1,394,154</td>
<td>217,204</td>
<td>451,713</td>
<td>2,063,071</td>
<td></td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these statements.
<table>
<thead>
<tr>
<th></th>
<th>Academic services</th>
<th>Social services</th>
<th>Graduate support</th>
<th>Total</th>
<th>Management and general</th>
<th>Fundraising</th>
<th>Total expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and benefits</td>
<td>579,836 $</td>
<td>89,994 $</td>
<td>98,361 $</td>
<td>768,191 $</td>
<td>78,128 $</td>
<td>241,648 $</td>
<td>1,087,967 $</td>
</tr>
<tr>
<td>Supplies</td>
<td>16,939 $</td>
<td>2,495 $</td>
<td>239 $</td>
<td>19,673 $</td>
<td>180 $</td>
<td>180 $</td>
<td>20,033 $</td>
</tr>
<tr>
<td>Telephone</td>
<td>2,758 $</td>
<td>581 $</td>
<td>581 $</td>
<td>3,920 $</td>
<td>436 $</td>
<td>436 $</td>
<td>4,792 $</td>
</tr>
<tr>
<td>Postage and shipping</td>
<td>1,556 $</td>
<td>328 $</td>
<td>328 $</td>
<td>2,212 $</td>
<td>245 $</td>
<td>245 $</td>
<td>2,702 $</td>
</tr>
<tr>
<td>Occupancy</td>
<td>46,207</td>
<td>9,728</td>
<td>9,728</td>
<td>65,663 $</td>
<td>15,720 $</td>
<td>7,296 $</td>
<td>88,679 $</td>
</tr>
<tr>
<td>Printing and publications</td>
<td>614 $</td>
<td>129 $</td>
<td>129 $</td>
<td>872 $</td>
<td>97 $</td>
<td>5,225 $</td>
<td>6,194 $</td>
</tr>
<tr>
<td>Conferences, conventions and meetings</td>
<td>2,655 $</td>
<td>- $</td>
<td>- $</td>
<td>2,655 $</td>
<td>1,389 $</td>
<td>6,711 $</td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>46,073</td>
<td>9,700</td>
<td>9,700</td>
<td>65,473 $</td>
<td>7,275 $</td>
<td>26,966 $</td>
<td>80,023 $</td>
</tr>
<tr>
<td>Interest</td>
<td>60,622</td>
<td>12,763</td>
<td>12,763</td>
<td>86,148 $</td>
<td>9,572 $</td>
<td>9,572 $</td>
<td>105,292 $</td>
</tr>
<tr>
<td>Athletic programs</td>
<td>- $</td>
<td>1,817 $</td>
<td>- $</td>
<td>1,817 $</td>
<td>- $</td>
<td>- $</td>
<td>1,817 $</td>
</tr>
<tr>
<td>Food program</td>
<td>53,178</td>
<td>- $</td>
<td>- $</td>
<td>53,178 $</td>
<td>- $</td>
<td>- $</td>
<td>53,178 $</td>
</tr>
<tr>
<td>Dues and subscriptions</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>269 $</td>
<td>- $</td>
<td>- $</td>
<td>269 $</td>
</tr>
<tr>
<td>Special events and fundraising</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>26,966 $</td>
<td>26,966 $</td>
</tr>
<tr>
<td>Graduates support</td>
<td>- $</td>
<td>- $</td>
<td>242,808 $</td>
<td>242,808 $</td>
<td>- $</td>
<td>- $</td>
<td>242,808 $</td>
</tr>
<tr>
<td>Insurance</td>
<td>17,612</td>
<td>3,708</td>
<td>3,708</td>
<td>25,028 $</td>
<td>2,781 $</td>
<td>2,781 $</td>
<td>30,590 $</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>6,680</td>
<td>- $</td>
<td>- $</td>
<td>6,680 $</td>
<td>10,121 $</td>
<td>2,729 $</td>
<td>19,530 $</td>
</tr>
<tr>
<td>Recruiting</td>
<td>39 $</td>
<td>- $</td>
<td>- $</td>
<td>39 $</td>
<td>934 $</td>
<td>- $</td>
<td>973 $</td>
</tr>
<tr>
<td>Technology</td>
<td>7,827</td>
<td>- $</td>
<td>- $</td>
<td>7,827 $</td>
<td>1,542 $</td>
<td>12,709 $</td>
<td>22,078 $</td>
</tr>
<tr>
<td>Student transportation</td>
<td>209 $</td>
<td>27 $</td>
<td>- $</td>
<td>236 $</td>
<td>- $</td>
<td>- $</td>
<td>236 $</td>
</tr>
<tr>
<td>Board and volunteer</td>
<td>2,533</td>
<td>- $</td>
<td>- $</td>
<td>2,533 $</td>
<td>- $</td>
<td>448 $</td>
<td>2,981 $</td>
</tr>
<tr>
<td>Professional services</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>87,169 $</td>
<td>95,313 $</td>
<td>182,482 $</td>
<td></td>
</tr>
<tr>
<td>Academic Saturdays and field trips</td>
<td>1,326</td>
<td>1,116 $</td>
<td>- $</td>
<td>2,442 $</td>
<td>- $</td>
<td>- $</td>
<td>2,442 $</td>
</tr>
<tr>
<td>Culinary program</td>
<td>- $</td>
<td>2,292 $</td>
<td>- $</td>
<td>2,292 $</td>
<td>- $</td>
<td>- $</td>
<td>2,292 $</td>
</tr>
<tr>
<td>Counseling</td>
<td>11,010</td>
<td>- $</td>
<td>- $</td>
<td>11,010 $</td>
<td>- $</td>
<td>- $</td>
<td>11,010 $</td>
</tr>
<tr>
<td></td>
<td>857,674</td>
<td>134,678 $</td>
<td>378,345 $</td>
<td>1,370,697 $</td>
<td>217,136 $</td>
<td>414,212 $</td>
<td>2,002,045 $</td>
</tr>
</tbody>
</table>

Less expenses included with revenues in the statement of activities
Cost of direct benefits to donors

Total expenses included in the expense section in the statement of activities

|                     | $ 857,674 | $ 134,678 | $ 378,345 | $ 1,370,697 | $ 217,136 | $ 404,141 | $ 1,991,974 |

The accompanying notes are an integral part of these statements.
Marian Middle School and Affiliate
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years ended June 30,

<table>
<thead>
<tr>
<th>Description</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in cash and cash equivalents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>$749,410</td>
<td>$860,484</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets to net cash provided by operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>146,900</td>
<td>96,004</td>
</tr>
<tr>
<td>Realized and unrealized gain on investments</td>
<td>(53,950)</td>
<td>(44,915)</td>
</tr>
<tr>
<td>Loss on disposal of fixed asset</td>
<td>527</td>
<td>200</td>
</tr>
<tr>
<td>Discount on below market rate loans</td>
<td>34,702</td>
<td>(217,925)</td>
</tr>
<tr>
<td>Contributions restricted for capital improvements</td>
<td>(109,747)</td>
<td>(366,848)</td>
</tr>
<tr>
<td>Forgiveness of Paycheck Protection Program Loan</td>
<td>(205,384)</td>
<td>-</td>
</tr>
<tr>
<td>(Increase) decrease in assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and contributions receivable - net</td>
<td>95,666</td>
<td>59,852</td>
</tr>
<tr>
<td>Prepaid expense</td>
<td>(14,770)</td>
<td>13,273</td>
</tr>
<tr>
<td>Increase (decrease) in liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>(40,569)</td>
<td>(97,400)</td>
</tr>
<tr>
<td>Accrued liabilities</td>
<td>(9,916)</td>
<td>5,800</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>592,869</td>
<td>308,525</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from sale of investments</td>
<td>1,496,655</td>
<td>111,698</td>
</tr>
<tr>
<td>Purchase of investments</td>
<td>(1,089,689)</td>
<td>(1,140,717)</td>
</tr>
<tr>
<td>Purchase of property and equipment</td>
<td>(977,869)</td>
<td>(1,461,161)</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>(570,903)</td>
<td>(2,490,180)</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issuance of note receivable</td>
<td>-</td>
<td>(3,419,337)</td>
</tr>
<tr>
<td>Proceeds from the issuance of long-term debt</td>
<td>-</td>
<td>6,170,000</td>
</tr>
<tr>
<td>Proceeds from Paycheck Protection Program loan</td>
<td>205,000</td>
<td>205,384</td>
</tr>
<tr>
<td>Payments on long-term debt</td>
<td>(186,535)</td>
<td>(590,324)</td>
</tr>
<tr>
<td>Debt issuance costs</td>
<td>-</td>
<td>(639,227)</td>
</tr>
<tr>
<td>Contributions restricted for capital improvements and graduate support endowment</td>
<td>478,145</td>
<td>666,989</td>
</tr>
<tr>
<td>Net cash provided by financing activities</td>
<td>496,610</td>
<td>2,393,485</td>
</tr>
<tr>
<td>NET INCREASE IN CASH AND CASH EQUIVALENTS</td>
<td>518,576</td>
<td>211,830</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of year</td>
<td>2,675,803</td>
<td>2,463,973</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of year</td>
<td>$3,194,379</td>
<td>$2,675,803</td>
</tr>
<tr>
<td>Supplemental disclosures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Noncash investing and financing activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable for property and equipment</td>
<td>-</td>
<td>$48,914</td>
</tr>
<tr>
<td>Reconciliation to Statements of Financial Position</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$2,505,549</td>
<td>$935,262</td>
</tr>
<tr>
<td>Cash and cash equivalents whose use is limited</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital improvements and other costs under New Market</td>
<td>177,188</td>
<td>1,178,810</td>
</tr>
<tr>
<td>Tax Credit Financing Agreement</td>
<td>42,818</td>
<td>493,353</td>
</tr>
<tr>
<td>Transforming Lives, Building for our Future Campaign</td>
<td>468,824</td>
<td>68,378</td>
</tr>
<tr>
<td>Endowment for graduate support</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$3,194,379</td>
<td>$2,675,803</td>
<td></td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these statements.
NOTE A | NATURE OF ENTITY

Marian Middle School (the School) is a not-for-profit middle school (fifth – eighth grade) for girls of low-income families in St. Louis, Missouri. Contributions and grants represent the School’s primary source of revenue.

In September 2019, the School created a supporting organization, Marian Middle School Supporting Organization (the “Supporting Organization”) to take advantage of New Market Tax Credit (NMTC) financing. NMTC financing allows an entity to receive a loan or investment capital from outside investors, who will receive new market tax credits to be applied against their federal tax liability. As a result, the School has invested $3,419,337 and was able to secure two 30-year loans in the amounts of $3,419,337 and $1,380,663 for a total of $4,800,000 payable to a community development entity. The loan proceeds are to be used solely for the purpose of making improvements to the School including a new HVAC system and windows, improvements to the enrichment building, and fund a long-term working capital reserve to support the financial stability of the School.

The consolidated financial statements include Marian Middle School and its affiliate, Marian Middle School Supporting Organization. The Supporting Organization is consolidated since the School has both an economic interest in the Supporting Organization and control of the Supporting Organization through a majority voting interest in its governing board. All material intercompany accounts and transactions have been eliminated.

NOTE B | SUMMARY OF ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements follows.

Cash and Cash Equivalents

The School considers all liquid investments with original maturities of three months or less to be cash equivalents.

Investments and Investment Return

Investments are reported at fair value. Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for the asset or liability. FASB ASC 820 also establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of fair value hierarchy are described below.

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets and liabilities in active markets that the School has the ability to access.
Level 2 Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, or inputs other than quoted prices that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

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

The investment’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.

Net investment income is reported in the Statements of Activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external investment expenses.

Grants and Contributions Receivable

The School provides an allowance for doubtful accounts equal to the estimated collection losses that will be incurred in collection of all receivables. The estimated losses are based on historical collection experience and a review of the current status of existing receivables.

Property and Equipment

Property and equipment are reported at cost if purchased or at fair value as of the date received, if donated. Expenditures in excess of $5,000 and extend the useful lives of the assets are capitalized, while maintenance and repairs are expensed. Depreciation and amortization of property and equipment is provided over their estimated useful lives using the straight-line method. The estimated service lives of assets are as follows:

<table>
<thead>
<tr>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture and equipment</td>
</tr>
<tr>
<td>Buildings and improvements</td>
</tr>
<tr>
<td>Vehicles</td>
</tr>
</tbody>
</table>

Net Assets

Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor or certain grantor restrictions.
Net assets with donor restrictions – Net assets subject to donor or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The School reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities as net assets released from restrictions.

Revenue and Revenue Recognition

Revenue is recognized when earned. Contributions and grants are recognized when cash, securities or other assets or an unconditional promise to give is received.

Functional Allocation of Expenses

The costs of providing program and supporting services have been summarized on a functional basis in the Statements of Activities. The Statements of Functional Expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services benefited as disclosed in Note P.

Income Taxes

The School and Supporting Organization qualify as charitable organizations as defined by Internal Revenue Code 501(c)(3), and accordingly they are exempt from Federal income taxes under Internal Revenue Code Section 501(a) and similar provisions of state law. The School and Supporting Organization file federal information returns. The information returns are generally subject to examination by the Internal Revenue Service for a period of three years from the date they are to be filed.

Use of Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Subsequent Events

In preparing these financial statements, the School has evaluated events and transactions for potential recognition or disclosure through December 6, 2021, the date the financial statements were available to be issued.

Reclassifications

Certain reclassifications have been made to the 2020 financial statements to conform to the 2021 presentation.
NOTE C | LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following represents financial assets as of the financial position date, reduced by amounts not available for general use within one year of the financial position date because of contractual or donor-imposed restrictions. Amounts not available include a donor-restricted endowment.

<table>
<thead>
<tr>
<th>Item</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$2,505,549</td>
<td>$935,262</td>
</tr>
<tr>
<td>Investments</td>
<td>1,697,548</td>
<td>2,050,564</td>
</tr>
<tr>
<td>Grants and contributions receivable - net</td>
<td>93,190</td>
<td>188,856</td>
</tr>
<tr>
<td>Cash and cash equivalents whose use is limited</td>
<td>688,830</td>
<td>1,740,541</td>
</tr>
<tr>
<td>Contributions receivable restricted for the Transforming Lives, Building for our Future Campaign - net</td>
<td>918,038</td>
<td>1,286,436</td>
</tr>
<tr>
<td>Note receivable</td>
<td>3,419,337</td>
<td>3,419,337</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>9,322,492</td>
<td>9,620,996</td>
</tr>
<tr>
<td>Cash and cash equivalents whose use is limited to capital improvements and other costs under New Market Tax Credit Financing Agreement</td>
<td>(177,188)</td>
<td>(1,178,810)</td>
</tr>
<tr>
<td>Donor-imposed restrictions for the Transforming Lives, Building for our Future Campaign - capital improvements and graduate support</td>
<td>(960,856)</td>
<td>(1,779,789)</td>
</tr>
<tr>
<td>Endowment for graduate support</td>
<td>(468,824)</td>
<td>(68,378)</td>
</tr>
<tr>
<td>Notes receivable to be collected in more than one year</td>
<td>(3,419,337)</td>
<td>(3,419,337)</td>
</tr>
<tr>
<td>Other donor restrictions</td>
<td>(604,495)</td>
<td>(735,084)</td>
</tr>
<tr>
<td>Total</td>
<td>$3,691,792</td>
<td>$2,439,598</td>
</tr>
</tbody>
</table>

As part of the School’s liquidity management plan, the School maintains an operating reserve to fund general operating expenses. The balance of the working capital reserve was $800,000 and $1,200,000 as of June 30, 2021 and 2020, respectively, which is reported in the Statements of Financial Position as cash and cash equivalents and investments without restrictions.

NOTE D | FAIR VALUE MEASUREMENT

The following is a description of the valuation methodologies used by the School to measure assets at estimated fair value. There have been no changes in the methodologies used at June 30, 2021 and 2020.

When available, the School uses quoted market prices to determine the fair value of assets. Investments in U.S. Treasury Notes, mutual funds and exchange-traded products are valued based on the quoted market price of the investment on their respective exchange. These investments are Level 1.
The methodologies described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the School believes its valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

A summary of assets at June 30, 2021 measured at fair value on a recurring basis were as follows:

<table>
<thead>
<tr>
<th>Fair value measurement</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mutual funds</td>
<td>$1,229,421</td>
<td>$1,229,421</td>
<td>- $ -</td>
</tr>
<tr>
<td>Exchange-traded products</td>
<td>468,127</td>
<td>468,127</td>
<td>- -</td>
</tr>
<tr>
<td>Total investments</td>
<td>$1,697,548</td>
<td>$1,697,548</td>
<td>- $ -</td>
</tr>
</tbody>
</table>

A summary of assets at June 30, 2020 measured at fair value on a recurring basis were as follows:

<table>
<thead>
<tr>
<th>Fair value measurement</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S. Treasury Notes</td>
<td>$991,579</td>
<td>$991,579</td>
<td>- - -</td>
</tr>
<tr>
<td>Mutual funds</td>
<td>718,222</td>
<td>718,222</td>
<td>- - -</td>
</tr>
<tr>
<td>Exchange-traded products</td>
<td>340,763</td>
<td>340,763</td>
<td>- -</td>
</tr>
<tr>
<td>Total investments</td>
<td>$2,050,564</td>
<td>$2,050,564</td>
<td>- $ -</td>
</tr>
</tbody>
</table>
NOTE E | GRANTS AND CONTRIBUTIONS RECEIVABLE

Grants and contributions receivable consist of pledges related to annual giving, Graduate Support Program, and Transforming Lives, Building for our Future capital campaign. Balances at June 30, are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Due in less than one year</td>
<td>$531,160</td>
<td>$590,930</td>
</tr>
<tr>
<td>Due in one to five years</td>
<td>$453,444</td>
<td>$893,029</td>
</tr>
<tr>
<td>Due in more than five years</td>
<td>$50,000</td>
<td>$50,000</td>
</tr>
<tr>
<td></td>
<td>$1,034,604</td>
<td>$1,533,959</td>
</tr>
</tbody>
</table>

Less discount to present value
(13,983)
(31,616)

Less allowance for uncollectible grants and contributions receivable
(9,393)
(27,051)

$1,011,228 $1,475,292

The following schedule summarizes the presentation of grants and contributions receivable on the Statements of Financial Position at June 30,:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants and contributions receivable - net</td>
<td>$93,190</td>
<td>$188,856</td>
</tr>
<tr>
<td>Contributions receivable restricted for the Transforming Lives, Building for our Future Capital Campaign - net</td>
<td>$918,038</td>
<td>$1,286,436</td>
</tr>
<tr>
<td></td>
<td>$1,011,228</td>
<td>$1,475,292</td>
</tr>
</tbody>
</table>

NOTE F | NOTE RECEIVABLE

Marian Middle School Supporting Organization funded a loan of $3,419,337 to Twain Financial Partners, LLC (Twain), who then loaned the proceeds to St. Louis New Markets Tax Credit Fund 54, LLC who then loaned the funds to Marian Middle School. The note matures September 11, 2049. Twain will make interest only payments to Marian Middle School Supporting Organization over six years at 1.0% and the loan will then amortize over the remaining term with Twain scheduled to repay the full amount of the loan to Marian Middle School Supporting Organization over the subsequent 24 years.
NOTE G | PROPERTY AND EQUIPMENT

Property and equipment consists of the following at June 30:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture and equipment</td>
<td>$480,270</td>
<td>$513,154</td>
</tr>
<tr>
<td>Building and improvements</td>
<td>2,588,097</td>
<td>1,661,186</td>
</tr>
<tr>
<td>Vehicles</td>
<td>-</td>
<td>5,000</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>636,749</td>
<td>580,895</td>
</tr>
<tr>
<td></td>
<td>3,068,367</td>
<td>2,179,340</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>935,627</td>
<td>917,050</td>
</tr>
<tr>
<td>Land</td>
<td>70,178</td>
<td>70,178</td>
</tr>
<tr>
<td></td>
<td>$3,437,423</td>
<td>$2,585,673</td>
</tr>
</tbody>
</table>

NOTE H | PAYROLL PROTECTION PROGRAM LOAN

On April 20, 2020, the School was granted a loan from Great Southern Bank in the aggregate amount of $205,384, pursuant to the Paycheck Protection Program (the “PPP”) under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The loan was used for qualifying expenses by the School and subsequently forgiven. The loan proceeds were reported as grants and contributions in the Statement of Activities for the year ended June 30, 2021.

On February 19, 2021, the School was granted a second PPP loan from Great Southern Bank in the aggregate amount of $205,000. The loan matures on February 19, 2026 and bears interest at a rate of 1.00% per annum. This loan may also be forgiven if used for qualifying expenses. The note is payable monthly beginning on the date the Small Business Association remits the loan forgiveness amount to Great Southern Bank, or if the School were not to apply for forgiveness, ten months after the end of the loan forgiveness covered period. The note may be prepaid by the School at any time prior to maturity with no prepayment penalties.
NOTE I | LONG-TERM DEBT

Long-term debt consists of the following at June 30,:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Loan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>St. Mary’s Institute of O’Fallon</td>
<td>$300,000</td>
<td>$300,000</td>
</tr>
<tr>
<td>Loretto Literary and Benevolent Institution</td>
<td>$293,141</td>
<td>$300,000</td>
</tr>
<tr>
<td>School Sisters of Notre Dame Central Pacific Province</td>
<td>$300,000</td>
<td>$300,000</td>
</tr>
<tr>
<td>Great Southern Bank Senior Loan</td>
<td>-</td>
<td>$179,676</td>
</tr>
<tr>
<td>St. Louis New Markets Tax Credit Fund 54, LLC</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Note A</td>
<td>$3,419,337</td>
<td>$3,419,337</td>
</tr>
<tr>
<td>Note B</td>
<td>$1,380,663</td>
<td>$1,380,663</td>
</tr>
<tr>
<td></td>
<td>$5,693,141</td>
<td>$5,879,676</td>
</tr>
<tr>
<td>Less unamortized imputed interest on below market rate loan</td>
<td>(225,816)</td>
<td>(260,518)</td>
</tr>
<tr>
<td>Less unamortized debt issuance costs</td>
<td>(601,938)</td>
<td>(623,246)</td>
</tr>
<tr>
<td></td>
<td>$4,865,387</td>
<td>$4,995,912</td>
</tr>
</tbody>
</table>

In March 2019, the School obtained a $300,000 note from St. Mary’s Institute of O’Fallon. Interest is paid annually on the anniversary date of the note at an interest rate of 1%. The note was amended on September 10, 2019 to extend the term of the note through March 31, 2029. At this time, the entire unpaid principal balance on the note is due. The stated interest rate was below the current market rate at the date of the loan; accordingly, when the loan proceeds were advanced, the School recorded contribution revenue and a loan discount using a rate of 5.75%. The loan discount is being amortized over the life of the note and is reported as interest expense in the Statements of Activities.

In September 2019, the School obtained a $300,000 note from Loretto Literary and Benevolent Institution. Interest is paid annually on the anniversary date of the note at an interest rate of 1%. Beginning December 31, 2020, the note requires annual principal payments as listed in the promissory note agreement. The loan matures on December 31, 2024 at which time the remaining unpaid principal and interest is due. The stated interest rate was below the current market rate at the date of the loan; accordingly, when the loan proceeds were advanced, the School recorded contribution revenue and a loan discount using a rate of 5.25%. The loan discount is being amortized over the life of the note and is reported as interest expense in the Statements of Activities.

In September 2019, the School obtained a $300,000 note from School Sisters of Notre Dame Central Pacific Province. Interest is paid annually on the anniversary date of the note at an interest rate of 1%. The note matures on December 31, 2029, at which time, the entire unpaid principal balance on the note is due. The stated interest rate was below the current market rate at the date of the loan; accordingly, when the loan proceeds were advanced, the School recorded contribution revenue and a loan discount using a rate of 5.25%. The loan discount is being amortized over the life of the note and is reported as interest expense in the Statements of Activities.
In September 2019, the School obtained two loans from St. Louis New Markets Tax Credit Fund 54, LLC consisting of Note A in the amount of $3,419,337 and Note B in the amount of $1,380,663 for a total of $4,800,000. The notes require quarterly interest only payments until September 30, 2025 at 1.083%. Commencing October 1, 2025 through the maturity date, quarterly principal and interest payments in the amount of $40,557 for Note A and $16,376 for Note B are due. The loan matures in September 2049. The loan is secured by a Deed of Trust on the School property. The loans may not be prepaid in whole or in part at any time prior to the expiration of the New Market Tax Credit Recapture Period, which began on the issuance date of the loans and ends on the seventh anniversary date of the loans.

Aggregate maturities of long-term debt are as follows:

<table>
<thead>
<tr>
<th>Year ended June 30</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>98,278</td>
</tr>
<tr>
<td>2023</td>
<td>96,612</td>
</tr>
<tr>
<td>2024</td>
<td>75,998</td>
</tr>
<tr>
<td>2025</td>
<td>22,253</td>
</tr>
<tr>
<td>2026</td>
<td></td>
</tr>
<tr>
<td>Thereafter</td>
<td>5,400,000</td>
</tr>
<tr>
<td></td>
<td><strong>$ 5,693,141</strong></td>
</tr>
</tbody>
</table>

Interest costs of $10,054 and $15,213 were capitalized as part of the cost of assets acquired during 2021 and 2020, respectively. Imputed interest expense for the year ended June 30, 2021 and 2020 was $34,702 and $28,692, respectively.

**NOTE J | TRANSFORMING LIVES, BUILDING FOR OUR FUTURE CAMPAIGN**

During the year ended June 30, 2018, Marian initiated the Transforming Lives, Building for our Future campaign. The fundraising goal of the campaign is $5 million. Campaign donors may restrict their contribution to capital improvements, an endowment for the graduate support program or for any other donor specified purpose. If the donor did not specify their preference for use, the contribution will be used for either capital improvements or the graduate support endowment at the discretion of the School’s Board of Directors. Campaign contributions received were $131,856 and $610,234 and campaign expenses totaled $965,751 and $1,473,798 for the years ended June 30, 2021 and 2020, respectively.
NOTE K | NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods at June 30:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject to the passage of time</td>
<td>$354,310</td>
<td>$588,618</td>
</tr>
<tr>
<td>Subject to expenditure for specified purpose</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Graduate support</td>
<td>222,997</td>
<td>130,516</td>
</tr>
<tr>
<td>Marketing</td>
<td>25,688</td>
<td>-</td>
</tr>
<tr>
<td>Cultural Competency</td>
<td>1,500</td>
<td>6,750</td>
</tr>
<tr>
<td>Technology</td>
<td>-</td>
<td>9,200</td>
</tr>
<tr>
<td>Transforming Lives, Building for Our Future Campaign - capital improvements and graduate support</td>
<td>960,856</td>
<td>1,779,789</td>
</tr>
<tr>
<td>Subject to endowment spending and appropriation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transforming Lives, Building for Our Future Campaign - Graduate support</td>
<td>68,824</td>
<td>68,378</td>
</tr>
</tbody>
</table>

$1,634,175 $2,583,251

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended June 30:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expiration of time restrictions</td>
<td>$108,400</td>
<td>$29,300</td>
</tr>
<tr>
<td>Satisfaction of purpose restrictions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Graduate support</td>
<td>130,516</td>
<td>-</td>
</tr>
<tr>
<td>Cultural Competency</td>
<td>6,750</td>
<td>-</td>
</tr>
<tr>
<td>STEM</td>
<td>94,263</td>
<td>-</td>
</tr>
<tr>
<td>Technology</td>
<td>9,200</td>
<td>-</td>
</tr>
<tr>
<td>Transforming Lives, Building for Our Future Campaign</td>
<td>965,751</td>
<td>1,110,145</td>
</tr>
</tbody>
</table>

$1,220,617 $1,233,708

NOTE L | ENDOWMENT

The School’s endowment consists of donor-restricted funds to support the Graduate Support Program.

The Board of Directors of the School has interpreted Missouri’s enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds unless there are explicit donor stipulations to the contrary. As a result of this interpretation, the School classifies as net assets with donor restrictions (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts donated to the perpetual endowment and (c) accumulations of the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor restricted endowment fund that is not retained in perpetuity is appropriated for expenditure by the School in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with the UPMIFA, the School considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds.
The duration and preservation of the fund
The purposes of the School and the donor-restricted endowment fund
General economic conditions
The possible effect of inflation and deflation
The expected total return from income and the appropriation of investments
Other resources of the School
The investment policies of the School

Investment Objective

The purpose of the endowment fund is to support the long term financial stability of the School and specifically, the Graduate Support Program, and maintain a balance of high-quality diversified investments to minimize risk and maximize returns.

Spending Policy

In order to preserve the corpus of the endowment over the long term, the School shall decide annually whether or not to withdraw any portion of the investment income, including capital appreciation, of the endowment fund. Any annual distribution cannot exceed 5% of the balance of the endowment fund.

Endowment net asset composition by type of fund as of June 30, 2021 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Without donor restrictions</th>
<th>With donor restrictions</th>
<th>Total endowment net assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment for graduate support</td>
<td>$ 400,000</td>
<td>$ 68,824</td>
<td>$ 468,824</td>
</tr>
</tbody>
</table>

Endowment net asset composition by type of fund as of June 30, 2020 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Without donor restrictions</th>
<th>With donor restrictions</th>
<th>Total endowment net assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment for graduate support</td>
<td>$ -</td>
<td>$ 68,378</td>
<td>$ 68,378</td>
</tr>
</tbody>
</table>
During the years ended June 30, 2021 and 2020, the School’s endowment had the following activity:

<table>
<thead>
<tr>
<th></th>
<th>Without donor restrictions</th>
<th>With donor restrictions</th>
<th>Total endowment net assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment net assets, June 30, 2019</td>
<td>$</td>
<td>$66,776</td>
<td>$66,776</td>
</tr>
<tr>
<td>Contributions</td>
<td>-</td>
<td>$1,602</td>
<td>$1,602</td>
</tr>
<tr>
<td>Endowment net assets, June 30, 2020</td>
<td>-</td>
<td>$68,378</td>
<td>$68,378</td>
</tr>
<tr>
<td>Contributions</td>
<td>-</td>
<td>$446</td>
<td>$446</td>
</tr>
<tr>
<td>Board designation for endowment</td>
<td>400,000</td>
<td>-</td>
<td>400,000</td>
</tr>
<tr>
<td>Endowment net assets, June 30, 2021</td>
<td>$400,000</td>
<td>$68,824</td>
<td>$468,824</td>
</tr>
</tbody>
</table>

**NOTE M | TAX DEFERRED ANNUITY PLAN**

The School participates in a tax deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. The plan covers substantially all employees of the School. The School contributed 4% of gross salaries for qualified employees to the plan for the years ended June 30, 2021 and 2020. If they wish, employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code. Employer contributions were $30,512 and $30,888 for the years ended June 30, 2021 and 2020, respectively.

**NOTE N | CONCENTRATION OF CREDIT RISK**

The School maintains its cash at two different financial institutions. At times, the balance in the accounts may exceed federally insured limits. The School has not experienced any losses in cash accounts and believes it is not exposed to any significant credit risk on cash.

Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risk in the near term would materially affect the amounts reported in the financial statements.

**NOTE O | COMMITMENTS AND CONTINGENCIES**

The NMTC financing includes certain compliance requirements, which if not met during the seven-year compliance period, require recapture of the tax credits.

**NOTE P | FUNCTIONAL ALLOCATION OF EXPENSES**

Certain categories of expenses that are attributable to more than one program or supporting function are allocated on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and benefits, occupancy costs, supplies, postage and telephone which are allocated on the basis of estimated time and effort.
# CONSOLIDATING STATEMENT OF FINANCIAL POSITION

**Marian Middle School and Affiliate**

**June 30, 2021**

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Marian Middle School</th>
<th>POB</th>
<th>Total</th>
<th>Marian Middle School</th>
<th>Supporting Organization</th>
<th>Consolidating Entries</th>
<th>Consolidated Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$2,453,910</td>
<td>$</td>
<td>$2,453,910</td>
<td>$51,639</td>
<td>$</td>
<td>-</td>
<td>$2,505,549</td>
</tr>
<tr>
<td>Investments, including working capital reserve</td>
<td>$1,697,548</td>
<td>-</td>
<td>$1,697,548</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$1,697,548</td>
</tr>
<tr>
<td>Grants and contributions receivable - net</td>
<td>$93,190</td>
<td>-</td>
<td>$93,190</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$93,190</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>$18,718</td>
<td>-</td>
<td>$18,718</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$18,718</td>
</tr>
<tr>
<td>Property and equipment - net</td>
<td>$930,291</td>
<td>2,507,132</td>
<td>3,437,423</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3,437,423</td>
</tr>
<tr>
<td>Cash and cash equivalents whose use is limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital improvements and other costs under New Market Tax Credit Financing Agreement</td>
<td>-</td>
<td>177,188</td>
<td>177,188</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>177,188</td>
</tr>
<tr>
<td>Transforming Lives, Building for our Future Campaign</td>
<td>42,818</td>
<td>-</td>
<td>42,818</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>42,818</td>
</tr>
<tr>
<td>Endowment for graduate support</td>
<td>468,824</td>
<td>-</td>
<td>468,824</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>468,824</td>
</tr>
<tr>
<td>Contributions receivable restricted for the Transforming Lives, Building for our Future Campaign - net</td>
<td>918,038</td>
<td>-</td>
<td>918,038</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>918,038</td>
</tr>
<tr>
<td>Note receivable</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3,419,337</td>
<td>-</td>
<td>-</td>
<td>3,419,337</td>
</tr>
<tr>
<td>Total assets</td>
<td>$6,623,337</td>
<td>$2,684,320</td>
<td>$9,307,657</td>
<td>$3,470,976</td>
<td>-</td>
<td>-</td>
<td>$12,778,633</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND NET ASSETS</th>
<th>Marian Middle School</th>
<th>POB</th>
<th>Total</th>
<th>Marian Middle School</th>
<th>Supporting Organization</th>
<th>Consolidating Entries</th>
<th>Consolidated Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$9,843</td>
<td>$4,611</td>
<td>$14,454</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$14,454</td>
</tr>
<tr>
<td>Accrued liabilities</td>
<td>21,825</td>
<td>-</td>
<td>21,825</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>21,825</td>
</tr>
<tr>
<td>Payroll Protection Program loan</td>
<td>205,000</td>
<td>-</td>
<td>205,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>205,000</td>
</tr>
<tr>
<td>Long-term debt, net</td>
<td>667,125</td>
<td>4,198,062</td>
<td>4,865,187</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,865,187</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>903,993</td>
<td>4,202,673</td>
<td>5,106,666</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5,106,666</td>
</tr>
</tbody>
</table>

| Net assets | Without donor restrictions | 4,085,169 | (1,518,353) | 2,566,816 | 3,470,976 | - | 6,037,792 |
| With donor restrictions | 1,634,175 | - | 1,634,175 | - | - | - | 1,634,175 |
| Total net assets | 5,719,344 | (1,518,353) | 4,200,991 | 3,470,976 | - | - | 7,671,967 |

| Total liabilities and net assets | $6,623,337 | $2,684,320 | $9,307,657 | $3,470,976 | - | - | $12,778,633 |
### CONSOLIDATING STATEMENT OF ACTIVITIES

**Year ended June 30, 2021**

#### Support and Revenue

<table>
<thead>
<tr>
<th>Description</th>
<th>Marian Middle School without donor restrictions</th>
<th>Marian Middle School with donor restrictions</th>
<th>POB without donor restrictions</th>
<th>Total</th>
<th>Consolidating entries without donor restrictions</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Grants and contributions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transforming Lives, Building for our Future Capital Campaign</td>
<td>-</td>
<td>$131,856</td>
<td>- $131,856</td>
<td></td>
<td>$131,856</td>
<td>$131,856</td>
</tr>
<tr>
<td>Other</td>
<td>1,700,608</td>
<td>1,822,635</td>
<td>1,822,635</td>
<td></td>
<td>1,700,608</td>
<td>1,822,635</td>
</tr>
<tr>
<td>Fundraising events (net of direct donor benefits of $114,000)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Tuition</strong></td>
<td>614,233</td>
<td>614,233</td>
<td>614,233</td>
<td></td>
<td>614,233</td>
<td>614,233</td>
</tr>
<tr>
<td><strong>Fundraising events</strong></td>
<td>27,969</td>
<td>27,969</td>
<td>27,969</td>
<td></td>
<td>27,969</td>
<td>27,969</td>
</tr>
<tr>
<td><strong>Lunch program</strong></td>
<td>8,211</td>
<td>8,211</td>
<td>8,211</td>
<td></td>
<td>8,211</td>
<td>8,211</td>
</tr>
<tr>
<td>Gain on uncollectible grants and contributions receivable</td>
<td></td>
<td>129,319</td>
<td>129,319</td>
<td></td>
<td>129,319</td>
<td>129,319</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>6,458</td>
<td>6,458</td>
<td>6,458</td>
<td></td>
<td>49,200</td>
<td>49,200</td>
</tr>
<tr>
<td><strong>Total other support and revenue</strong></td>
<td>2,486,798</td>
<td>2,758,339</td>
<td>2,758,339</td>
<td>-</td>
<td>2,529,540</td>
<td>2,801,081</td>
</tr>
<tr>
<td><strong>Net assets released from restrictions</strong></td>
<td>1,220,617</td>
<td>(1,220,617)</td>
<td></td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total other support and revenue</strong></td>
<td>3,707,415</td>
<td>(949,076)</td>
<td>2,758,339</td>
<td>42,742</td>
<td>3,750,157</td>
<td>(949,076)</td>
</tr>
</tbody>
</table>

#### Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>Marian Middle School without donor restrictions</th>
<th>Marian Middle School with donor restrictions</th>
<th>POB without donor restrictions</th>
<th>Total</th>
<th>Consolidating entries without donor restrictions</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Program services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Academic</td>
<td>770,829</td>
<td>770,829</td>
<td>54,141</td>
<td>824,970</td>
<td></td>
<td>824,970</td>
</tr>
<tr>
<td><strong>Social services</strong></td>
<td>111,567</td>
<td>111,567</td>
<td>11,812</td>
<td>123,379</td>
<td></td>
<td>123,379</td>
</tr>
<tr>
<td><strong>Graduate support</strong></td>
<td>433,992</td>
<td>433,992</td>
<td>21,813</td>
<td>455,805</td>
<td></td>
<td>455,805</td>
</tr>
<tr>
<td><strong>Total program services</strong></td>
<td>1,316,388</td>
<td>1,316,388</td>
<td>77,756</td>
<td>1,394,144</td>
<td></td>
<td>1,394,144</td>
</tr>
<tr>
<td><strong>Management and general</strong></td>
<td>175,408</td>
<td>175,408</td>
<td>31,919</td>
<td>207,327</td>
<td></td>
<td>207,327</td>
</tr>
<tr>
<td><strong>Fundraising</strong></td>
<td>428,500</td>
<td>428,500</td>
<td>217,204</td>
<td>440,313</td>
<td></td>
<td>440,313</td>
</tr>
<tr>
<td><strong>Transfers (to) from affiliated organizations</strong></td>
<td>60,884</td>
<td>60,884</td>
<td>(60,884)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>1,981,180</td>
<td>1,981,180</td>
<td>60,614</td>
<td>2,041,794</td>
<td></td>
<td>2,051,671</td>
</tr>
<tr>
<td><strong>INCREASE (DECREASE) IN NET ASSETS</strong></td>
<td>1,726,235</td>
<td>(949,076)</td>
<td>777,159</td>
<td>32,865</td>
<td>1,698,486</td>
<td>(949,076)</td>
</tr>
<tr>
<td><strong>Net assets at beginning of year</strong></td>
<td>2,258,834</td>
<td>2,581,251</td>
<td>4,942,185</td>
<td>3,484,446</td>
<td></td>
<td>3,484,446</td>
</tr>
<tr>
<td><strong>Net assets at end of year</strong></td>
<td>4,085,169</td>
<td>3,534,175</td>
<td>5,719,344</td>
<td>4,200,094</td>
<td></td>
<td>3,470,978</td>
</tr>
</tbody>
</table>

**Additional information:**

- **Support and revenue** includes grants and contributions, tuition, fundraising events, and other revenue sources.
- **Expenses** includes program services, management and general, fundraising, and transfers from affiliated organizations.
- **Net assets** reflect the increase or decrease in net assets from the beginning of the year to the end of the year.