

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

with

INDEPENDENT AUDITORS' REPORT

YEARS ENDED JUNE 30, 2025 AND 2024

Smith  Sullivan
& Brown PC

CERTIFIED PUBLIC ACCOUNTANTS

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ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
REPORT ON CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024



STONE HOUSE
Safe Now. Strong Forever.

Mission Statement

*Stone House makes a difference in our community by caring for
and protecting adult and child survivors of domestic abuse,
and helping them rebuild safe, secure, independent
lives of purpose and self-fulfillment.*

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
REPORT ON CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Roxbury Stone House, Inc. and Subsidiary
Roxbury, Massachusetts

Opinion

We have audited the accompanying consolidated financial statements of Roxbury Stone House, Inc. and Subsidiary (Massachusetts nonprofit organizations), which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, 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.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Roxbury Stone House, Inc. and Subsidiary as of June 30, 2025 and 2024, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Roxbury Stone House, Inc. and Subsidiary and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Roxbury Stone House, Inc. and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

To the Board of Directors
Roxbury Stone House, Inc. and Subsidiary

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Roxbury Stone House, Inc. and Subsidiary's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Roxbury Stone House, Inc. and Subsidiary's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Consolidating Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information on pages 28 - 33 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual entities, and it 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 consolidating information has been subjected to the auditing procedures applied in the audits 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 GAAS. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Information

Our audits were performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The nonaccounting information shown on pages 4 - 5, which is the responsibility of the management, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The nonaccounting information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

To the Board of Directors
Roxbury Stone House, Inc. and Subsidiary

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 2025 on our consideration of Roxbury Stone House, Inc. and Subsidiary's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Roxbury Stone House, Inc. and Subsidiary's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Roxbury Stone House, Inc. and Subsidiary's internal control over financial reporting and compliance.

Smith, Sullivan & Brown, PC

Westborough, Massachusetts
October 15, 2025

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
MANAGEMENT DISCUSSION OF STRATEGIC GOALS

JUNE 30, 2025

Safe Now, Strong Forever

In early FY 2025, Stone House completed a year long celebration of 50 years in business providing support for thousands of individuals and families and commenced planning for a new 13 unit space with combined Emergency Shelter, Transitional Housing and Permanent supportive spaces for domestic violence (“DV”) survivors adjacent to our beautiful current multi-functional building at One Westminster.

In July 2025, the Stone House Early Learning Center celebrated its third full year of business providing early learning and child care by trauma informed educators. The Early Learning Center thrives - now serving up to 43 children - 17 infants and 26 preschool/toddlers. There is a lengthy wait list for future attendees and all families and caregivers of our young clients are provided resources and counseling opportunities through Stone House.

Continued Innovation and New Opportunities

Stone House continues to innovate and plan for our future, finding ways to best serve our vulnerable domestic violence survivor client population and contribute to our continued growth and systems improvement. In FY 2025, Stone House invested in our Development Team adding a Major Gift Officer to expand funding opportunities and rely less on government contracts and changing government funding priorities.

Stone House continues to offer both in-person and on-line groups and counseling, having found that both options can allow RSH to serve clients where they are, even serving DV clients who are unable to attend meetings with case managers or group sessions in-person due to job restrictions, childcare or travel challenges. On-line programming can also serve community clients who are in hiding from their abusers and cannot safely travel to and from Stone House’s service sites. Stone House staff have found that meetings can sometimes be more efficient and ease safety concerns for clients when evening meetings are run via Zoom and both long-term attendance and successful completion of our many 8-week group session classes is improving with this additional option.

Stone House, in cooperation with our current managing partner for One Westminster Avenue, the Planning Office for Urban Affairs, continues work to develop two vacant parcels owned by the Boston Planning and Development Agency that are located directly adjacent to our current Westminster Avenue property into housing for domestic violence survivors. Planning for this new space is almost completed with a solid design, zoning permissions completed and some early funding (CEDAC and FHLB) in place. The final application for the state funding via EOHLA and 501 (c)(3) bonding will take place in the late Fall of 2025 with a decision expected in late Spring of 2026. Stone House has been gratified by the positive response received to plans from area neighborhood and community groups. Stone House is excited at this new opportunity to house even more DV survivors and their families at a time when the availability of safe affordable housing in the Boston area is extremely limited.

Looking to the Future

In addition to planning for new housing space adjacent to our current space, the Stone House Finance and Program Teams performed an analysis of our State and City contract obligations and made decisions to not renew two (2) contracts that did not align with our mission of DV client service and or did not provide financial benefit or stability for the agency long term. Instead, Stone House has expanded our private funding targets lists and applied for government grants that align with our agency priorities and provide more stable/long term funding streams. Stone House recognizes that future growth and stability will require BOTH additional private funding and targeted government funding and has therefore embarked on this two pronged approach: applying for and advocating for additional government support within certain specific DV service program areas while also adding a Major Gifts Officer position to our Development Team to help ratchet up donations, outreach and grant solicitation to obtain more private, corporate and foundation donor funds, while also recruiting volunteers with specific skill sets and networks to help Stone House now and in the future.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
MANAGEMENT DISCUSSION OF STRATEGIC GOALS

JUNE 30, 2025

Stone House is continuing to expand community and non-profit group access to and use of our building to better serve the needs of more neighbor clients and now have plans to host secure Stone House community gatherings on-site. We have been taking stock of all that we have accomplished in the past 50 years and are tweaking our financial and operations methods to best serve our clients efficiently and safely going forward. We successfully completed a transition from one accounting services company to another in early FY 2024. This transition brought us a broader range of expertise and has provided the more sophisticated financial analysis capabilities that our expanded programs and services require. We have successfully updated our donor database and, in the Fall of 2025, will complete a second project transferring our client database into a single software platform that is more user friendly and more efficient for our hard-working RSH staff. At the culmination of this two year project, our data entry, reporting, and analysis abilities will be vastly improved.

Conclusion

As Stone House embarks on our next fifty years in business, Stone House continues to innovate and find methods of efficiency and reasonable growth centered always on achieving our critical mission of serving DV Survivors and helping them to find a path to a safe future. Our proven resilience in past challenging times has served Stone House well and continues to serve us in current challenging times. As always, our motto remains: Safe Now. Strong Forever.



STONE HOUSE

Safe Now. Strong Forever.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2025 AND 2024

<u>ASSETS</u>	<u>2025</u>	<u>2024</u>
<u>CURRENT ASSETS:</u>		
Cash	\$ 1,413,073	\$ 1,030,984
Short-Term Investments	220,687	205,772
Accounts Receivable, Program Services	288,896	546,118
Employee Retention Tax Credits Due	232,492	232,492
Pledges Receivable	10,000	65,000
Prepaid Expenses	20,332	44,102
Total Current Assets	2,185,480	2,124,468
 <u>PROPERTY AND EQUIPMENT, NET</u>	 7,934,684	 8,143,310
 <u>NON-CURRENT ASSETS:</u>		
Leveraged Loan Receivable	5,230,665	5,230,665
Sponsor Loans Receivable	776,017	776,017
Operating Lease Right-of-Use Asset	22,173	29,199
Total Non-Current Assets	6,028,855	6,035,881
 <u>TOTAL ASSETS</u>	 \$ 16,149,019	 \$ 16,303,659
 <u>LIABILITIES AND NET ASSETS</u>		
 <u>CURRENT LIABILITIES:</u>		
Accounts Payable and Accrued Expenses	\$ 111,389	\$ 220,227
Accrued Payroll and Related Costs	204,029	196,781
Deferred Revenue	-	6,000
Operating Lease Liability, Current	7,313	7,027
Total Current Liabilities	322,731	430,035
 <u>NON-CURRENT LIABILITIES:</u>		
Operating Lease Liability, Non-Current	14,860	22,172
NMTC Notes Payable	7,469,000	7,469,000
Total Non-Current Liabilities	7,483,860	7,491,172
 <u>TOTAL LIABILITIES</u>	 7,806,591	 7,921,207
 <u>NET ASSETS:</u>		
Net Assets Without Donor Restrictions	8,263,228	8,262,452
Net Assets With Donor Restrictions	79,200	120,000
Total Net Assets	8,342,428	8,382,452
 <u>TOTAL LIABILITIES AND NET ASSETS</u>	 \$ 16,149,019	 \$ 16,303,659

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	2025			2024		
	<u>WITHOUT</u> <u>DONOR</u> <u>RESTRICTIONS</u>	<u>WITH</u> <u>DONOR</u> <u>RESTRICTIONS</u>	<u>TOTAL</u> <u>ACTIVITIES</u>	<u>WITHOUT</u> <u>DONOR</u> <u>RESTRICTIONS</u>	<u>WITH</u> <u>DONOR</u> <u>RESTRICTIONS</u>	<u>TOTAL</u> <u>ACTIVITIES</u>
<u>SUPPORT, REVENUES AND RECLASSIFICATIONS:</u>						
<i>Support and Revenues:</i>						
Government Contracts and Grants	\$ 2,024,720	\$ -	\$ 2,024,720	\$ 2,301,989	\$ -	\$ 2,301,989
Early Learning Center Program Fees	1,109,290	-	1,109,290	1,064,778	-	1,064,778
Gifts, Grants and Contributions	956,174	193,200	1,149,374	955,447	295,300	1,250,747
Other Program Service Revenue	66,728	-	66,728	86,374	-	86,374
Interest Income and Investment Return	68,430	-	68,430	63,913	-	63,913
In-Kind Donations	66,119	-	66,119	10,870	-	10,870
Miscellaneous Other Revenues	1,077	-	1,077	3,580	-	3,580
<i>Reclassification of Net Assets - Released from Restrictions:</i>						
Program and Operating Expenses	234,000	(234,000)	-	175,300	(175,300)	-
<u>TOTAL SUPPORT, REVENUES AND RECLASSIFICATIONS</u>	<u>4,526,538</u>	<u>(40,800)</u>	<u>4,485,738</u>	<u>4,662,251</u>	<u>120,000</u>	<u>4,782,251</u>
<u>FUNCTIONAL EXPENSES:</u>						
<i>Program Services:</i>						
Domestic Violence Programs	1,853,576	-	1,853,576	2,488,325	-	2,488,325
Early Learning Center	1,585,874	-	1,585,874	1,412,632	-	1,412,632
<i>Supporting Services:</i>						
Administrative	614,280	-	614,280	710,633	-	710,633
Fund Raising	472,032	-	472,032	415,635	-	415,635
<u>TOTAL FUNCTIONAL EXPENSES</u>	<u>4,525,762</u>	<u>-</u>	<u>4,525,762</u>	<u>5,027,225</u>	<u>-</u>	<u>5,027,225</u>
<u>CHANGE IN NET ASSETS</u>	<u>776</u>	<u>(40,800)</u>	<u>(40,024)</u>	<u>(364,974)</u>	<u>120,000</u>	<u>(244,974)</u>
<u>NET ASSETS - BEGINNING OF YEAR</u>	<u>8,262,452</u>	<u>120,000</u>	<u>8,382,452</u>	<u>8,627,426</u>	<u>-</u>	<u>8,627,426</u>
<u>NET ASSETS - END OF YEAR</u>	<u>\$ 8,263,228</u>	<u>\$ 79,200</u>	<u>\$ 8,342,428</u>	<u>\$ 8,262,452</u>	<u>\$ 120,000</u>	<u>\$ 8,382,452</u>

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025

(With Summaried Comparative Consolidated Totals for 2024)

	<u>DOMESTIC</u> <u>VIOLENCE</u> <u>PROGRAMS</u>	<u>EARLY</u> <u>LEARNING</u> <u>CENTER</u>	<u>TOTAL</u> <u>PROGRAM</u> <u>SERVICES</u>	<u>ADMINI-</u> <u>STRATIVE</u>	<u>FUND</u> <u>RAISING</u>	<u>TOTAL</u> <u>FUNCTIONAL EXPENSES</u>	
						<u>2025</u>	<u>2024</u>
Salaries and Wages	\$ 1,002,248	\$ 851,183	1,853,431	\$ 125,477	\$ 265,299	2,244,207	\$ 2,413,699
Payroll Taxes	103,486	87,888	191,374	12,956	27,393	231,723	220,005
Fringe Benefits	188,644	160,210	348,854	23,617	49,935	422,406	372,493
Consultants/Professional Fees	34,580	69,084	103,664	277,066	9,154	389,884	376,837
Depreciation Expense	45,614	148,907	194,521	5,711	12,074	212,306	212,499
Occupancy Costs	154,484	96,278	250,762	53,141	8,237	312,140	361,418
Property and Liability Insurance	21,301	-	21,301	5,943	833	28,077	27,805
Direct Assistance for Program Participants	208,100	-	208,100	1,402	9,515	219,017	589,907
Food and Meals	12,196	71,051	83,247	1,969	462	85,678	74,830
Program Supplies	16,485	18,557	35,042	2,362	588	37,992	41,890
Fundraising Events and Costs	-	-	-	-	59,348	59,348	43,103
Technology	25,959	22,046	48,005	33,250	6,871	88,126	86,951
Office Supplies and Expenses	10,312	14,032	24,344	6,400	3,728	34,472	27,919
Printing and Postage	279	-	279	2,027	4,552	6,858	8,532
Telephone and Communications	117	-	117	36,417	-	36,534	38,044
Equipment Rental and Maintenance	6,433	5,463	11,896	805	5,876	18,577	13,943
Dues, Fees and Subscriptions	8,002	7,925	15,927	20,472	4,884	41,283	46,323
Staff Development	68	57	125	3,088	438	3,651	3,312
Staff Travel and Mileage	195	-	195	831	-	1,026	1,978
Interest Expense	10,748	33,193	43,941	1,346	2,845	48,132	52,507
Bad Debt Expense	4,325	-	4,325	-	-	4,325	13,230
Total Functional Expenses	<u>\$ 1,853,576</u>	<u>\$ 1,585,874</u>	<u>\$ 3,439,450</u>	<u>\$ 614,280</u>	<u>\$ 472,032</u>	<u>\$ 4,525,762</u>	<u>\$ 5,027,225</u>

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024

	<u>DOMESTIC</u> <u>VIOLENCE</u> <u>PROGRAMS</u>	<u>EARLY</u> <u>LEARNING</u> <u>CENTER</u>	<u>TOTAL</u> <u>PROGRAM</u> <u>SERVICES</u>	<u>ADMINI-</u> <u>STRATIVE</u>	<u>FUND</u> <u>RAISING</u>	<u>TOTAL</u> <u>FUNCTIONAL</u> <u>EXPENSES</u>
Salaries and Wages	\$ 1,213,365	\$ 729,637	\$ 1,943,002	\$ 225,711	\$ 244,986	\$ 2,413,699
Payroll Taxes	110,597	66,505	177,102	20,573	22,330	220,005
Fringe Benefits	187,252	112,601	299,853	34,833	37,807	372,493
Consultants/Professional Fees	46,304	64,856	111,160	257,217	8,460	376,837
Depreciation Expense	51,393	141,169	192,562	9,560	10,377	212,499
Occupancy Costs	165,855	125,514	291,369	60,267	9,782	361,418
Property and Liability Insurance	20,819	-	20,819	5,895	1,091	27,805
Direct Assistance for Program Participants	576,728	13,090	589,818	12	77	589,907
Food and Meals	3,321	67,264	70,585	2,364	1,881	74,830
Program Supplies	22,446	15,751	38,197	2,968	725	41,890
Fundraising Events and Costs	-	-	-	2	43,101	43,103
Technology	35,246	21,194	56,440	23,074	7,437	86,951
Office Supplies and Expenses	7,087	9,665	16,752	7,971	3,196	27,919
Printing and Postage	-	-	-	1,055	7,477	8,532
Telephone and Communications	3,359	-	3,359	34,142	543	38,044
Equipment Rental and Maintenance	6,753	4,060	10,813	1,256	1,874	13,943
Dues, Fees and Subscriptions	10,254	6,591	16,845	20,739	8,739	46,323
Staff Development	906	545	1,451	176	1,685	3,312
Staff Travel and Mileage	212	-	212	363	1,403	1,978
Interest Expense	13,198	34,190	47,388	2,455	2,664	52,507
Bad Debt Expense	13,230	-	13,230	-	-	13,230
Total Functional Expenses	<u>\$ 2,488,325</u>	<u>\$ 1,412,632</u>	<u>\$ 3,900,957</u>	<u>\$ 710,633</u>	<u>\$ 415,635</u>	<u>\$ 5,027,225</u>

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Change in Net Assets	\$ (40,024)	\$ (244,974)
<i>Adjustments to Reconcile the Above to Net Cash Provided by Operating Activities:</i>		
Depreciation Expense	212,305	212,499
Investment Return	(9,061)	(8,812)
Donated Stock	(9,531)	(12,442)
<i>(Increase) Decrease in Current Assets:</i>		
Accounts Receivable, Program Services	318,346	358,527
Pledges Receivable	55,000	(65,000)
Prepaid Expenses	23,770	(35,636)
<i>Increase (Decrease) in Liabilities:</i>		
Accounts Payable and Accrued Expenses	(169,963)	(110,391)
Accrued Payroll and Related Costs	7,248	155,938
Deferred Revenue	(6,000)	6,000
Operating Lease Liability	(7,026)	(6,751)
<i>(Increase) Decrease in Non-Current Assets:</i>		
Operating Lease Right-of-Use Asset	7,025	6,752
Net Adjustment	<u>422,113</u>	<u>500,684</u>
<u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u>	<u>382,089</u>	<u>255,710</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Purchase of Short-Term Investments	-	(184,521)
Net Cash Flows From Investing Activities	<u>-</u>	<u>(184,521)</u>
<u>NET INCREASE IN CASH BALANCES</u>	<u>382,089</u>	<u>71,189</u>
<u>CASH BALANCES - BEGINNING OF YEAR</u>	<u>1,030,984</u>	<u>959,795</u>
<u>CASH BALANCES - END OF YEAR</u>	<u>\$ 1,413,073</u>	<u>\$ 1,030,984</u>
<i>Supplemental Disclosure :</i>		
Interest Paid	<u>\$ 48,132</u>	<u>\$ 52,507</u>

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

NOTE 1 ORGANIZATION AND AFFILIATED ENTITIES

Roxbury Stone House, Inc.:

Roxbury Stone House, Inc. (formerly Elizabeth Stone House, Inc.) (the “Organization” or “Stone House”) was incorporated in 1974 under the provisions of Massachusetts General Laws Chapter 180 and qualifies as a tax-exempt not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code (“IRC”). Stone House has been classified as an organization which is not a private foundation under IRC Section 509(a); accordingly, contributions made to this Organization qualify for the maximum charitable deduction for federal income tax purposes.

In October 2018, in connection with a major renovation project, Stone House established the following entities in order to receive and transfer federal tax credits. These entities were created specifically to facilitate the redevelopment and construction of a 56,520 square foot, 5-story building on the corner of Washington Street and Westminster Avenue in Roxbury, Massachusetts (the “Property”) which includes 32 residential apartments as well as office and programming space and a fully licensed childcare center. The facility is structured as a condominium consisting of the residential unit and the program unit pursuant to a Declaration of Trust and Master Deed.

WestminsterWashingtonNMTC, Inc. (“WW-NMTC”):

WestminsterWashingtonNMTC, Inc. (“WW-NMTC”) was formed as a Massachusetts nonprofit corporation on October 15, 2018 and is organized and operated for charitable purposes and qualifies as a tax-exempt not-for-profit corporation under IRC Section 501(c)(3). WW-NMTC is a Type I supporting organization operated for the benefit of Stone House within the meaning of IRC Section 509(a)(3). WW-NMTC was created for the specific purpose of constructing and owning the non-residential program unit, representing 36.3% of the property, through a New Markets Tax Credit (“NMTC”) financing arrangement under IRC Section 45D, as amended. This financing was made possible by an allocation of \$7,700,000 in NMTC authority by MHIC NE CDE II Subsidiary 48 LLC (the “MHIC CDE”) and a NMTC investment by MHIC 481 Corp. NMTC Investment Fund, LLC (the “NMTC Investor”), both of which are affiliates of the Massachusetts Housing Investment Corporation (“MHIC”). Stone House is the sole member of WW-NMTC, which establishes Stone House as the parent organization and WW-NMTC as the subsidiary.

WestminsterWashingtonLIHTC Manager, LLC (“WW-LIHTC, Manager”):

WestminsterWashingtonLIHTC Manager, LLC (the “Managing Member”) was established as a Massachusetts Limited Liability Company pursuant to Chapter 156C of the Massachusetts General Laws on October 10, 2018. The Managing Member is owned 49% by Stone House and 51% by POUA Westminster Member LLC (“POUA”), an unrelated Massachusetts charitable nonprofit corporation which serves as the General Partner of the Managing Member.

WestminsterWashingtonLIHTC, LLC (“WW-LIHTC, LLC”):

On October 10, 2018, the Managing Member established WestminsterWashingtonLIHTC, LLC (“WW-LIHTC, LLC”), also organized as a Massachusetts Limited Liability Company pursuant to Chapter 156C of the Massachusetts General Laws. WW-LIHTC, LLC was established to construct and own the residential condominium unit, which represents 63.7% of the property. MHEF 481 Corp. Fund III LLC (“MHEF”) (the “Investor Member”) owns 99.99% of WW-LIHTC, LLC with the Managing Member owning the residual 0.01% share.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

NOTE 1 *(Continued)*

On March 29, 2019, Stone House transferred property to WW-NMTC and WW-LIHTC, LLC in conjunction with the closing of the NMTC and LIHTC transactions. Effective July 1, 2020, Stone House began to lease the property owned by WW-NMTC pursuant to a 25-year lease. The rent expense, revenue and related lease assets and liabilities are eliminated in the accompanying consolidated financial statements.

NOTE 2 PROGRAM SERVICES

The following is a summary of program services provided for the years presented, as well as program information subsequent to the years presented.

In General: Stone House combines the security of a safe environment with a range of programs and services - residential and community based - to support trauma recovery, personal growth and development of essential life skills for domestic violence survivors - both adults and children. Stone House's overarching mission is to help participants create a path to a secure, positive and fulfilling life.

Domestic Violence Shelter:

The Domestic Violence Shelter provides emergency shelter for parents and children in imminent danger of violence from other members of their family or household. The shelter is a safe place for residents to regroup after a crisis and prepare for life beyond shelter and beyond abuse. Shelter residents are eligible for comprehensive, integrated wrap-around services. The shelter can house up to nine families at a time. We help shelter residents find safe, appropriate housing, which can include permanent housing, transitional housing programs, a residential substance abuse rehabilitation program, a residential mental health facility, and some instances of being able to reside with some family members. While a move to our rented off-site three-family location allowed us to increase the number of families we serve in shelter, Stone House's goal is to further increase the number of individuals and families we can support in an emergency and transitional housing space. In furtherance of this goal, Stone House is working with the Planning Office of Urban Affairs to design and build a permanent building for these services on property adjacent to our current campus. Work continues to secure funding and design space for this new planned shelter location in FY 2025 with a goal to break ground for the new space in FY 2026 if funding is approved.

Housing Stabilization Program:

The Housing Stabilization Program provides housing for individuals and families made homeless by domestic violence, often in combination with mental illness, and substance abuse. Residents reside in their own apartments, participate in support groups, and take advantage of other support services coordinated with the assistance of their case managers. The Housing Stabilization Program provides up to ten units for families and individuals. Our goal is that all Housing Stabilization Program have the skills to maintain stable housing over the long-term after they leave the program.

Permanent Supportive Housing:

Residents in Stone House's 32 units of rent subsidized permanent supportive housing apartments at One Westminster (our "LIHTC" units) are eligible for all of the support DV services available to community clients.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

NOTE 2 *(Continued)*

Early Learning Center:

In July 2022, Stone House opened a licensed childcare center, the Roxbury Stone House Early Learning Center which, as of July 2025, serves up to 43 children: a combination of infants, toddlers, and preschoolers - and has a robust waiting list of applicants. Staffed with a director, two co-directors and 14 teachers, the curriculum is designed and implemented to work with children and families who have experienced trauma and is fully licensed by the Massachusetts Department of Early Education and Care (“DEEC”). Stone House receives additional support via the USDA CACFP program to receive some reimbursement for providing nutritious meals and snacks for our participants. Stone House also offers and provides support and resources for the parents and caregivers of the ELC child attendees in a “wrap around” model of help for individuals and families who have experienced domestic and or community violence.

DV Counseling and Supports:

In 2025, Stone House celebrated 51 years of providing mental health and domestic violence supports and resources. Case Management services now include (but are not limited to) domestic violence counseling, multiple support groups, parenting and life skills classes, financial literacy and budgeting programs, housing stabilization, crisis intervention, job search skills, recovery support and safety planning. Stone House prides itself on serving DV Survivors at whatever stage of their safety and healing journey they find themselves when they arrive at our door.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting:

The consolidated financial statements of Roxbury Stone House, Inc. and Subsidiary have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (“GAAP”).

Principles of Consolidation:

The accompanying consolidated financial statements incorporate the accounts of the following entities (collectively the “Organizations”):

- Roxbury Stone House, Inc.
- Westminster Washington NMTC, Inc.

Estimates:

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates; however, adherence to generally accepted accounting principles, has in management’s opinion, resulted in reliable and consistent financial reporting by the Organizations.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

NOTE 3 *(Continued)*

Fair Value of Financial Instruments:

The Organizations report their fair value measures by using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by generally accepted accounting principles, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are defined as follows:

- Level 1 - Quoted prices for identical assets or liabilities in active markets to which the Organization has access at the measurement date.

- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in markets that are not active; observable inputs other than quoted prices for the asset or liability (for example, interest rate and yield curves); and inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

- Level 3 - Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

The primary use of fair value measures in the Organizations' consolidated financial statements is the initial and recurring measurement of its investments.

Financial Statement Presentation:

The Organizations report information regarding their financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. These classifications are related to the existence or absence of donor-imposed restrictions as defined below.

Net Assets Without Donor Restrictions - Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. In addition, net assets within this classification include funds which represent resources designated by the Board of Directors for specific purposes.

Net Assets With Donor Restrictions - Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity. As of June 30, 2025 and 2024, the Organizations have no net assets that are required to be maintained in perpetuity. The Organizations' unspent contributions are reported in net assets with donor restrictions if the donor limited their use, or if they are promised contributions that are not yet due. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restrictions when the assets are placed in service. Should the donor restrict an asset to use in a program, the asset continues to be reported as net assets without donor restrictions.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

NOTE 3 *(Continued)*

Accounts Receivable, Program Services:

Accounts Receivable, Program Services primarily represents amounts which are due from government funded program service grant agreements and tuition and food subsidies for childcare services. On a periodic basis, Management evaluates receivables and establishes an allowance for doubtful accounts or credit losses, based on past collections, current credit conditions and a review of subsequent collections. A receivable is considered past due if payment has not been received within stated terms. The Organizations will then exhaust all methods to collect the receivable. Once all practical resources to collect the receivable have been utilized without success, the receivable is deemed uncollectible and charged to the allowance for doubtful accounts. Amounts due from government funded grants and tuition programs have been confirmed and are considered fully collectible; consequently, these consolidated financial statements do not contain a provision for uncollectible accounts receivable from contracts and grants.

As of June 30, 2025 and 2024, *Accounts Receivable, Program Services* consists of the following balances:

	<u>2025</u>	<u>2024</u>
Voucher Tuition Subsidies Due	\$ 86,953	\$ 81,350
Government Grants	180,663	464,768
Program Revenue	<u>21,280</u>	<u>-</u>
Total	<u>\$288,896</u>	<u>\$546,118</u>

Pledges Receivables:

Pledges Receivable represent amounts which are due on unconditional promises to give from donors and foundations. Receivables are reported at net realizable value and classified as current if they are scheduled for payment within one year, and non-current when the expected payment date exceeds one year. Promises to give with expected payment dates that extend beyond one year are discounted to their present value when such amounts are considered material.

Management periodically reviews receivables to determine if any balances are uncollectible. The allowance for uncollectible receivables is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. As of June 30, 2025 and 2024, Management believes that all pledges receivable are fully collectible; accordingly, these financial statements do not contain a provision for uncollectible pledges and there were no losses on uncollectible pledges recognized in the years presented.

Investments:

Investment purchases are recorded at cost, or if donated at fair value on the date of donation. Thereafter, investments are reported at their fair values in the Consolidated Statements of Financial Position. Net investment return (loss) is reported in the Consolidated Statements of Activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses. Cash held in brokerage accounts is reported as investments for the purposes of these financial statements. Investments are classified as either short-term or long-term, depending upon the underlying intentions.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

NOTE 3 *(Continued)*

Property and Equipment:

Property, equipment, furnishing and improvement purchases in excess of \$5,000 are capitalized at cost, if purchased, or if donated, at fair value at the date of receipt. Expenditures for maintenance, repairs and renewals are charged to expense as incurred, whereas major betterments are capitalized as additions to property and equipment. Depreciation of property and equipment is computed using the straight-line method and is charged to activities over the following estimated useful lives of the assets, as expressed in terms of years.

<u>Asset Category</u>	<u>Life</u>
Condominium Unit	40
Furniture and Equipment	3 - 7

The Organizations review their investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flow expected to be generated by the property and any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate exceeds the fair value of the property. There were no impairment losses recognized in the years presented.

Leases:

The Organizations determine if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (“ROU”) assets and operating lease liabilities in the Consolidated Statements of Financial Position. ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term.

The operating lease ROU asset includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organizations will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. Stone House has applied the standards to its lease with WW-NMTC, which has been eliminated, along with the rental income and expense, in the accompanying consolidated financial statements.

The weighted-average discount rate is based on the discount rate implicit in each lease. The Organizations have elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. The Organizations have applied the weighted average risk-free rate option for all leases which are subject to the standard.

The Organizations have elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

NOTE 3 *(Continued)*

Deferred Revenue:

Deferred Revenue primarily represents sponsorship for the Stone House's 50th anniversary event received in FY 2024 and recognized in FY 2025 at the time of the event.

Gifts, Grants and Contributions:

Stone House is the beneficiary of contributions in the form of grants from government agencies, other nonprofit organizations, donations of cash and financial assets from individuals and contributions of nonfinancial assets.

Unconditional Gifts, Grants and Contributions

Contributions, including promises to give, without donor conditions are recognized as revenue at their estimated fair value at the date of donation and classified as either with or without donor restrictions depending on the donor's stipulations or lack thereof. Unconditional, multi-year commitments are recognized in the year during which the initial commitment is made at the amount that the Organization reasonably expects to collect. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risk involved when such amounts are considered material.

Conditional Gifts and Grants

Conditional donations are those that have a measurable performance or other barrier and include a right of return of the assets or right of release of the donor from further obligation if the conditions are not met. Conditional donations are not recognized until the associated barriers are met. Any cash received before the conditions or barriers are met is reported as a refundable advance, a liability within the Consolidated Statements of Financial Position. When the conditions are met, the revenue is reported as contributions without donor restrictions unless there are further restrictions over and above those associated with the donor conditions. In such cases when the conditions and restrictions are met within the same reporting period, the support is recognized as contributions or grants without donor restrictions. Stone House's government funded program service agreements fall within this classification.

Support that is restricted by the donor is reported as an increase in net assets with donor restrictions until the restrictions are met, at which time the net assets are reclassified to net assets without donor restrictions.

Special Events

Revenue classified as Special Events is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference. Stone House recognizes special events revenue equal to the fair value of direct benefits to donors when the special event takes place. Stone House recognizes the contribution element of special event revenue immediately, unless there is a right of return if the special event does not take place. Accordingly, sponsorships and ticket sales received in advance of the event are reported as deferred revenue.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

NOTE 3 *(Continued)*

Unit-Rate Agreements

As more fully detailed in Note 9, a significant portion of Stone House’s revenue is derived from unit-rate agreements with the Massachusetts Department of Public Health (“DPH”) to provide funding for domestic violence programs. These programs are funded under DPH agreements pursuant to statewide rates for residential and community-based services which are classified as conditional grants, as explained above. Residential services are billed on a monthly basis as services are provided based upon established rates per bed night or per room night. Community-based services are also billed on a monthly basis as services are provided based upon a tiered accommodations basis rate which provides for a fixed monthly payment for a specified staffing pattern. Revenue is recognized as the services are provided and invoiced upon completion of the service delivery; accordingly, there are no conditional grant liabilities arising out of unit-rate agreements. The service period coincides with Stone House’s fiscal reporting period and, as the agreements were billed within each fiscal year end, there were no conditional balances at either year end presented. These agreements are subject to an annual renewal process and future funding is not guaranteed.

Cost-Reimbursement Agreements

Also discussed in Note 9, Stone House receives revenue from cost-reimbursement grants through the Commonwealth of Massachusetts, the City of Boston, the Massachusetts Office for Victim Assistance (“MOVA”) and other pass-through agencies which are conditional upon certain performance requirements and the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when Stone House has incurred expenditures in compliance with specific grant provisions. Stone House invoices the respective agencies for reimbursement after such expenses have been incurred and does not receive payment in advance of service delivery. As of June 30, 2025 and 2024, there were no obligations for conditional grant advances arising from these agreements in the accompanying consolidated financial statements. For the years ended June 30, 2025 and 2024, aggregate revenue from conditional funding commitments under cost-reimbursement arrangements amounted to \$499,854 and \$910,652, respectively; however, these agreements are subject to an annual renewal process and future funding is not guaranteed.

Revenue Recognition:

Childcare Tuition and Vouchers

Stone House operates a year round childcare program that is fully licensed by DEEC for up to 43 children ages 2 months to 7 years old. Tuition is subsidized by the DEEC through its voucher program in addition to a stabilization grant. Stone House recognizes revenue from tuition for its Early Learning Center programs on a monthly basis, as the services are provided. Stone House submits attendance data through an online portal which is overseen by an authorized childcare voucher agency. The agency also sets the fees for tuition, which is determined by the age of the child, and provides Stone House with eligible referrals for childcare. Payment is received subsequent to each month that services are provided, upon approval of the administering agency.

Donations of Nonfinancial Assets:

Contributed nonfinancial assets may include donated professional services, facility usage and program supplies. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Stone House relies heavily upon volunteer involvement in direct service, outreach and administrative capacities. Stone House also relies upon donations from the general public of program supplies, materials, clothing, food and personal items for program participants. All such donations are classified as contributions without donor restrictions and Stone House does not monetize its nonfinancial donations.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

NOTE 3 *(Continued)*

Volunteers are an integral component of Roxbury Stone House, Inc. We receive generous help in time, treasure and talent from many of our corporate supporters. Stone House also continues to benefit from the generous community of hikers who, each year for the past 29 years, literally climb mountains to raise critically important funding for Stone House clients through our annual RSH Wilderness Heals fundraising pledge hike. In addition, Stone House involves unpaid graduate student interns, who receive academic credit, with direct service programs. Our committed Stone House Board of Directors, volunteers and interns receive a comprehensive orientation, ongoing training and supervision, and help to fill gaps which would otherwise require additional staff time and/or funding that is simply not available. Our Development, Finance and Program Teams are constantly working to find more ways to expand our community of volunteers to provide benefits for our clients from the skills and compassion of our wonderful volunteers. Although extensive, this volunteer time does not meet the recognition criteria.

For the years ended June 30, 2025 and 2024, in-kind donations recognized in the accompanying financial statements include gift cards, program and other noncash donations totaling \$9,797 and \$10,870, respectively. In addition, during FY 2025, we benefited from pro bono legal services from our generous legal experts at Mintz Levin, and from our Network of Gentlemen support crew, which was valued at \$56,322 associated with expert legal counsel in connection with securing the zoning and funding for the planned new facility.

Functional Expenses:

The Organizations allocate their expenses on a functional basis among its various programs and support services. Expenses that are common to several functions are allocated based upon space and time usage. Expenses allocated by time usage consists of *Salaries and Wages, Payroll Taxes and Fringe Benefits*. The following costs are allocated based upon management’s analysis of the usage of the underlying space as measured in terms of square footage: *Occupancy Costs, Depreciation Expense, Property and Liability Insurance and Equipment Rental and Maintenance*.

Supporting services are those related to operating and managing Roxbury Stone House, Inc. and Subsidiary and its programs on a day-to-day basis. Supporting services have been sub-classified as follows:

Administrative - includes all activities related to Roxbury Stone House Inc. and Subsidiary’s internal management and accounting for program services.

Fund Raising - includes all activities related to maintaining contributor information, donor relations and recognition events, writing grant proposals, distribution of materials and other similar projects related to the procurement of funds and donor relations for Roxbury Stone House, Inc. and Subsidiary’s programs.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

NOTE 4 INVESTMENTS

Stone House holds U.S. Treasury Notes and cash which are classified as *Short-Term Investments*, and consist of the following:

<u>Investment Type</u>	<u>June 30, 2025</u>		
	Total Fair Value	Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Cash	\$ 332	\$ -	\$ -
U.S. Treasury Notes	<u>220,355</u>	<u>-</u>	<u>220,355</u>
Total	<u>\$220,687</u>	<u>\$ -</u>	<u>\$220,355</u>
<u>Investment Type</u>	<u>June 30, 2024</u>		
	Total Fair Value	Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Cash	\$ 10,901	\$ -	\$ -
U.S. Treasury Notes	<u>194,871</u>	<u>-</u>	<u>194,871</u>
Total	<u>\$205,772</u>	<u>\$ -</u>	<u>\$194,871</u>

Stone House determines the fair value of their investments in U.S. Treasury Notes using the market quotations provided by brokers and dealers who used quotations for similar securities in active markets, which represents a market approach.

NOTE 5 PROPERTY AND EQUIPMENT

The following is a summary of property and equipment as of June 30, 2025 and 2024:

<u>Asset Category</u>	<u>2025</u>	<u>2024</u>
Land	\$ 464,640	\$ 464,640
Condominium	8,132,998	8,132,998
Furniture and Fixtures	115,011	115,011
Office Equipment	<u>23,907</u>	<u>20,227</u>
Total Property and Equipment	8,736,556	8,732,876
Less: Accumulated Depreciation	<u>(801,872)</u>	<u>(589,566)</u>
Property and Equipment, Net	<u>\$7,934,684</u>	<u>\$8,143,310</u>

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

NOTE 6 NOTES RECEIVABLE

NMTC Leveraged Loan Receivable:

On March 29, 2019, Stone House made a leveraged loan in the amount of \$5,230,665 to the NMTC Investor, a qualified equity investment fund (“QEI”) linked to Stone House’s financing obtained through the NMTC program. In order to fund the loan, Stone House raised capital campaign funds in addition to the proceeds from the sale of its former property and entered into financing transactions further detailed in Note 7. The loan is payable in monthly interest only payments at the fixed rate of 1.00% for the first seven years (the “Compliance Period”) commencing on April 10, 2019. Starting on October 1, 2026, monthly payments of principal and interest of \$18,349 will be due through the maturity date of February 1, 2047.

After the Compliance Period, there are put and call agreements between Stone House and the NMTC Investor. It is anticipated that the NMTC Investor will put their option and Stone House will own the QEI funds at the end of the Compliance Period. However, if the NMTC Investor does not put their interest, WW-NMTC plans to exercise its option to call. The value attributable to the put price is nominal; consequently, if exercised, the put may essentially result in forgiveness of these loans as well as extinguishment of WW-NMTC’s debt described in Note 7.

Stone House received interest income payments totaling \$52,307 in each year presented.

FHLB Sponsor Loan:

WW-LIHTC, LLC received proceeds of \$500,000 for construction financing through the Federal Home Loan Bank. The financing was structured as a direct subsidy grant to Stone House, which was then loaned to WW-LIHTC, LLC as a non-interest bearing Sponsor Loan. The Loan is due upon default of the loan covenants, or upon the sale or refinancing of the property; otherwise, the loan is payable in one lump sum at the end of 15-year compliance period which is on or about October 31, 2036.

Sponsor Loan:

In addition to the above sponsor loans, Stone House loaned \$276,017 to WW-LIHTC, LLC pursuant to a promissory note dated March 26, 2021. The promissory note is non-interest bearing with no payments required until the maturity date of December 31, 2051.

NOTE 7 DEBT AND FINANCING TRANSACTIONS

As previously disclosed, Stone House completed a major construction project on a residential and program/office facility located at the corner of Washington Street and Westminster Avenue in Roxbury. On March 29, 2019, Stone House and WW-NMTC participated in a construction and finance closing which provided funding from NMTC investments.

Stone House and its NMTC subsidiary successfully closed a NMTC financing transaction to finance the non-residential program unit of the Project. The NMTC arrangement leveraged \$1,147,500 in bridge loans from The Life Initiative, \$4,444,190 in Stone House capital campaign funds, including proceeds from the sale of its then existing facility, and a net investment from the NMTC Investor of \$2,238,335 to fund WW-NMTC’s total construction costs associated with the non-residential unit, which amounted to approximately \$8.1 million.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

NOTE 7 *(Continued)*

The following significant debt and related agreements were executed by Stone House in connection with this project.

New Market Tax Credit Notes Payable:

As previously noted, WW-NMTC obtained financing in a NMTC transaction. Through this transaction, WW-NMTC has secured low interest financing and the potential for future debt forgiveness. This program permits individual and corporate taxpayers to receive a credit against federal income taxes for making a QEI in qualified community development entities (“CDEs”). The CDE used substantially all of each QEI to make qualified low-income community investment (“QLICI”) loans on favorable terms to WW-NMTC as a qualified low-income community business (“QALICB”). These loans were made to WW-NMTC by the MHIC CDE on March 31, 2019, and outstanding on June 30, 2025 and 2024 were as follows:

<u>Note</u>	<u>Amount</u>
Promissory Note A	\$5,230,665
Promissory Note B	<u>2,238,335</u>
Total	<u>\$7,469,000</u>

Each of the above loans has a maturity date of October 1, 2052 and bears interest at the rate of 0.703%, payable monthly. The first seven-year term of the notes are defined as the Compliance Period, during which time only interest is paid. On October 1, 2026, the seventh anniversary of the loans, a lump sum principal payment of \$30,000 is due. Thereafter, the loans will be amortized with aggregate monthly principal and interest payments of \$26,095 required through the maturity date. The loans may be repaid any time after the Compliance Period. For the years ended June 30, 2025 and 2024, interest payments on these notes amounted to \$48,132 and \$52,507, respectively.

Line-of-Credit:

Stone House established a working capital line-of-credit with Citizens Bank with a borrowing limit of \$250,000. The line-of-credit is secured by all business assets and bears interest at 3% over the Prime rate, which was 10.5% and 11.5% as of June 30, 2025 and 2024, respectively. The terms require a 30-day “clean up” period where Stone House must maintain a zero balance for 30 consecutive days in each year. There were no borrowing on the line-of-credit during the years ended June 30, 2025 and 2024.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

NOTE 8 NET ASSETS

Net Assets With Donor Restrictions:

As of June 30, 2025 and 2024, net assets with donor restrictions include unexpended contributions and grants restricted by donors for the following purposes:

<u>Nature of Restriction</u>	<u>2025</u>	<u>2024</u>
Program Salaries and Wages	\$30,000	\$ 30,000
Early Learning Center	30,000	-
Wilderness Heals	10,000	-
Program Supplies and Expenses	8,000	-
Capital Project	1,200	-
Consultant Services	-	25,000
Time Restriction	-	65,000
Total	<u>\$79,200</u>	<u>\$120,000</u>

Net assets released from donor restrictions by incurring expenses which satisfied the restricted purposes, by the passage of time or by the occurrence of events specified by the donors were as follows for the years presented:

<u>Nature of Restriction</u>	<u>2025</u>	<u>2024</u>
Children’s Services	\$104,000	\$100,000
Program Salaries and Wages	30,000	35,000
Consultant Services	25,000	25,000
Time Restrictions Elapsed	65,000	-
Basic Needs for Program Participants	10,000	15,300
Total	<u>\$234,000</u>	<u>\$175,300</u>

NOTE 9 GOVERNMENT FUNDED PROGRAM SERVICE AGREEMENTS

Stone House receives a substantial portion of its funding under government grants. The primary grants for the years presented are described below:

Commonwealth of Massachusetts - Department of Public Health (“DPH”):

Stone House has contracted with the Commonwealth of Massachusetts for many years in several purchase-of-service arrangements under domestic violence programs for Community Based Services, Emergency Shelter and Housing Stabilization programs which are administered by the DPH. The community-based contract is payable at fixed monthly rates within a tiered system based upon the level of staffing committed to the program. The residential contracts are administered on unit rates per bed/room nights. The aggregate funding for these contracts was \$1,300,296 and \$1,159,951 in FY 2025 and FY 2024, respectively.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

NOTE 9 *(Continued)*

Massachusetts Office for Victim Assistance (“MOVA”):

Stone House receives federal funding which is passed through the Massachusetts Office for Victim Assistance from the U.S. Department of Justice under the federal Victims of Crime Act (“VOCA”). For each of the years ended June 30, 2025 and 2024, Stone House received \$211,721, which was administered on a cost-reimbursement basis. The VOCA contract primarily funds direct care staff and related personnel costs under the program entitled *Expanded Domestic Violence Services for Spanish Speaking Survivors*.

U.S. Department of Housing and Urban Development (“HUD”):

Transitional Housing, Emergency Housing and Rapid Rehousing

In response to the pandemic, Stone House was awarded multiple grants through the City of Boston which were funded by HUD’s Continuum of Care, ARPA Covid Relief and ESG-CV programs to provide transitional housing, rapid rehousing, case management and supportive services to households experiencing homelessness who are survivors of domestic violence and for emergency housing assistance for vulnerable households at imminent risk of displacement or recently displaced, including case management, housing search, financial assistance and short-term sheltering at hotels or extended-stay facilities. Stone House operated these programs through December 31, 2024. Funding received for the fiscal years ended June 30, 2025 and 2024 amounted to \$240,094 and \$472,978, respectively.

NOTE 10 EMPLOYMENT ARRANGEMENT

Stone House is party to a co-employment agreement with ADP TotalSource, Inc. (“ADP”) for the purpose of outsourcing its human resource function, including employee benefits administration, payroll processing, tax remittance and reporting and workers compensation coverage. Accordingly, ADP became the employer of record, while Stone House continues to direct the day-to-day duties and activities of its employees. For purposes of financial and tax reporting, Stone House continues to report and track the components of its personnel costs, maintaining the integrity of the specific line items as required for state and federal contract reporting.

NOTE 11 EMPLOYEE BENEFIT PLANS

Roxbury Stone House, Inc. maintains a defined contribution retirement plan which covers all salaried employees who qualify with respect to age and length of service. Contributions to the retirement plan are discretionary, and the amount of future contributions will be determined annually by the Board of Directors. For the years ended June 30, 2025 and 2024, Stone House made retirement contributions to the Plan in the amount of \$43,829 and \$36,108, which is included within *Fringe Benefits* in the accompanying Consolidated Statement of Functional Expenses.

Roxbury Stone House, Inc. also maintains a 401(k) salary deferral plan. Eligible employees who have completed one year of service may elect to defer up to 15% of their compensation from current income taxation by investing in mutual funds and/or annuities. The plan also allows employees to make Roth IRA contributions. All contributions to this plan are from employees, and as there is no provision for employer matching, these consolidated financial statements do not reflect an employee benefit plan expense for the salary deferral plan.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

NOTE 12 OCCUPANCY

Occupancy includes the costs associated with leasing and maintenance of facilities which house the Stone House shelter and housing stabilization programs, the Early Learning Center, non-residential programming and administrative offices. Each of these items is included in the Organizations' occupancy costs and is allocated on a functional basis to the various programs and supporting services according to the percentages derived from the usage of the space as expressed in terms of square feet and time usage.

In addition, Stone House reimburses WW-LIHTC for its proportionate share of common property expenses, including property taxes, insurance, repairs, maintenance and utilities.

NOTE 13 LEASE OBLIGATIONS

Shelter Lease:

Stone House leases a multi-family residence on short-term leases that are renewable annually for its shelter program. Most recently, Stone House signed a 12-month lease for the shelter with a monthly payment of \$9,000 effective for the period of April 2025 to March 2026. This lease qualifies for the short-term exemption, and Stone House recognized lease payments on a straight-line basis. The remaining lease obligation under this lease was \$81,000 as of June 30, 2025.

Copier Equipment:

In March 2023, Stone House entered into a 63-month copier lease agreement. As a result of applying the lease accounting standards to this agreement, the accompanying consolidated financial statements include an operating right-of-use asset and a corresponding operating lease liability. The Organization used a weighted-average discount rate of 3.23% and the remaining term is 2.92 years as of June 30, 2025. The operating lease expense recognized on the lease for the years ended June 30, 2025 and 2024 was \$8,040 per year and is reported as *Equipment Rental and Maintenance* expense in the accompanying Consolidated Statements of Functional Expenses. The future minimum lease payments arising from this commitment is scheduled below.

<u>Fiscal Year Ending</u>	<u>Amount</u>
June 30, 2026	\$ 8,040
June 30, 2027	8,040
June 30, 2028	<u>7,370</u>
Total Undiscounted Cash Flows	23,450
Less: Present Value Discount	<u>(1,277)</u>
Lease Liabilities at Present Value	<u><u>\$22,173</u></u>

NOTE 14 CONCENTRATIONS

Cash and Investment Balances:

The Organizations are subject to concentrations in credit risk related to its financial instruments. The Organizations' cash and money market funds are held in major financial institutions. At times during the year, the Organizations may exceed FDIC and other insured limits. The Organizations had \$487,922 in excess of federally insured and other limits as of June 30, 2024. For the year ended June 30, 2025 the organization mitigated risk by obtaining an insured sweep account. There were no significant uninsured balances as of June 30, 2025. The Organizations have not experienced any losses on such accounts.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

NOTE 14 *(Continued)*

Accounts Receivable, Program Services:

Approximately 69% and 90% of *Accounts Receivable* represents balances due from two government entities and three government entities as of June 30, 2025 and 2024, respectively.

NOTE 15 CONTINGENCIES

Surplus Revenue Retention Regulations:

The Commonwealth of Massachusetts Operational Services Division's regulation, 808 CMR 1.19(3), *Not-for-Profit Surplus Revenue Retention*, allows social service providers to retain a surplus up to twenty percent of total revenues attributable to or generated by Commonwealth agreements for the provision of social services to clients of the Commonwealth and to use such surplus revenue for charitable purposes of the Organization. Amounts that exceed the threshold may be subject to recoupment by the Commonwealth. Management concludes that Stone House is in compliance with the OSD requirements.

Government Grants:

Stone House is the recipient of government funded grants which are subject to an annual renewal process; therefore, while the Organization is a long-time grantee with anticipated continued funding, future funding is not guaranteed. These grants are subject to possible audit by the appropriate government agencies. In the opinion of Management, the results of such audits, if any, will not have a material effect on the financial position of Stone House as of June 30, 2025 and 2024, or on its change in net assets for the years then ended.

New Market Tax Credit Recapture:

The NMTC Investor is subject to 100% recapture of the New Market Tax Credits it receives for a period of seven years as provided in the Internal Revenue Code and applicable U.S. Treasury regulations. The Organizations are required to be in compliance with various regulations and contractual provisions that apply to the New Market Tax Credit arrangement. Noncompliance with applicable requirements could result in the NMTC Investor's projected tax benefits not being realized and, therefore, require the Organizations to indemnify the NMTC Investor for any loss or recapture of New Market Tax Credits related to the financing until such time as the recapture provisions have expired under the applicable statute of limitations. The Organizations do not anticipate any credit recapture will be required in connection with this financing arrangement.

Employee Retention Tax Credit:

The Employee Retention Credit was introduced by the U.S. CARES Act in 2020 and is a refundable tax credit against certain employment taxes. As of June 30, 2022, Roxbury Stone House met the qualifications necessary to claim \$232,492 under the Employee Retention Credit program. Therefore, this amount is reported as *Employee Retention Tax Credits Due* in the accompanying Consolidated Statements of Financial Position for the years ended, June 30, 2025 and 2024. This amount remains outstanding and due to Stone House as of the financial statement release date.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

NOTE 16 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following table reflects the Organizations' financial assets as of June 30, 2025 and 2024, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year or because the governing board has set aside the funds for a specific contingency reserve, capital investment or other long-term investments or when restricted by donors for purposes more limited than general expenditures.

As part of the Organizations' liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

For purposes of analyzing resources available to meet general expenditures over a twelve-month period, the Organizations consider all expenditures related to its ongoing activities of operating domestic violence programs as well as the conduct of services undertaken to support those activities to be general expenditures.

	<u>2025</u>	<u>2024</u>
<i>Financial Assets:</i>		
Cash	\$ 1,413,073	\$ 1,030,984
Short-Term Investments	220,687	205,772
Accounts Receivable, Program Services	288,896	546,118
Employee Retention Tax Credits Due	232,492	232,492
Pledges Receivable	10,000	65,000
Leveraged Loan Receivable	5,230,665	5,230,665
Sponsor Loans Receivable	<u>776,017</u>	<u>776,017</u>
Total Financial Assets as of June 30,	8,171,830	8,087,048
 <i>Less Amounts Not Available to be Used Within One Year:</i>		
Leveraged Loan Receivable	(5,230,665)	(5,230,665)
Sponsor Loans Receivable	<u>(776,017)</u>	<u>(776,017)</u>
 Financial Assets Available to Meet		
General Expenditures Within One Year	<u>\$ 2,165,148</u>	<u>\$ 2,080,366</u>

NOTE 17 SUBSEQUENT EVENTS

Management is required to consider events subsequent to the financial statement date for potential adjustment to or disclosure in the consolidated financial statements. Therefore, Management has evaluated subsequent events through October 15, 2025, the date which the consolidated financial statements were available for issuance and noted no events which met the criteria for recognition or disclosure.

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2025

<u>ASSETS</u>	<u>RSH</u>	<u>WW-NMTC</u>	<u>ELIMIN- ATIONS</u>	<u>CONSOLIDATED TOTAL</u>
<u>CURRENT ASSETS:</u>				
Cash	\$ 1,224,532	\$ 188,541	\$ -	\$ 1,413,073
Short-Term Investments	220,687	-	-	220,687
Accounts Receivable, Program Services	350,020	-	(61,124)	288,896
Employee Retention Tax Credits Due	232,492	-	-	232,492
Pledges Receivable	10,000	-	-	10,000
Prepaid Expenses	20,332	-	-	20,332
Total Current Assets	<u>2,058,063</u>	<u>188,541</u>	<u>(61,124)</u>	<u>2,185,480</u>
 <u>PROPERTY AND EQUIPMENT, NET</u>	<u>49,905</u>	<u>7,884,779</u>	<u>-</u>	<u>7,934,684</u>
 <u>NON-CURRENT ASSETS:</u>				
Leveraged Loan Receivable	5,230,665	-	-	5,230,665
Sponsor Loans Receivable	982,343	-	(206,326)	776,017
Operating Lease Right-of-Use Asset	111,542	-	(89,369)	22,173
Total Non-Current Assets	<u>6,324,550</u>	<u>-</u>	<u>(295,695)</u>	<u>6,028,855</u>
 <u>TOTAL ASSETS</u>	<u>\$ 8,432,518</u>	<u>\$ 8,073,320</u>	<u>\$ (356,819)</u>	<u>\$ 16,149,019</u>
 <u>LIABILITIES AND NET ASSETS</u>				
<u>CURRENT LIABILITIES:</u>				
Accounts Payable and Accrued Expenses	\$ 111,389	\$ 61,124	\$ (61,124)	\$ 111,389
Accrued Payroll and Related Costs	204,029	-	-	204,029
Operating Lease Liability	106,123	-	(98,810)	7,313
Total Current Liabilities	<u>421,541</u>	<u>61,124</u>	<u>(159,934)</u>	<u>322,731</u>
 <u>NON-CURRENT LIABILITIES:</u>				
Operating Lease Liability, Non-Current	40,045	-	(25,185)	14,860
Long-Term Debt, Net of Current Portion	-	7,675,325	(206,325)	7,469,000
Total Non-Current Liabilities	<u>40,045</u>	<u>7,675,325</u>	<u>(231,510)</u>	<u>7,483,860</u>
 <u>TOTAL LIABILITIES</u>	<u>461,586</u>	<u>7,736,449</u>	<u>(391,444)</u>	<u>7,806,591</u>
 <u>NET ASSETS:</u>				
Net Assets Without Donor Restrictions	7,891,732	336,871	34,625	8,263,228
Net Assets With Donor Restrictions	79,200	-	-	79,200
Total Net Assets	<u>7,970,932</u>	<u>336,871</u>	<u>34,625</u>	<u>8,342,428</u>
 <u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 8,432,518</u>	<u>\$ 8,073,320</u>	<u>\$ (356,819)</u>	<u>\$ 16,149,019</u>

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2024

	<u>RSH</u>	<u>WW-NMTC</u>	<u>ELIMIN- ATIONS</u>	<u>CONSOLIDATED TOTAL</u>
<u>ASSETS</u>				
<u>CURRENT ASSETS:</u>				
Cash	\$ 766,429	\$ 264,555	\$ -	\$ 1,030,984
Short-Term Investments	205,772	-	-	205,772
Accounts Receivable, Program Services	607,242	-	(61,124)	546,118
Employee Retention Tax Credits Due	232,492	-	-	232,492
Pledges Receivable	65,000	-	-	65,000
Prepaid Expenses	44,102	-	-	44,102
Total Current Assets	1,921,037	264,555	(61,124)	2,124,468
 <u>PROPERTY AND EQUIPMENT, NET</u>	 54,255	 8,089,055	 -	 8,143,310
 <u>NON-CURRENT ASSETS:</u>				
Leveraged Loan Receivable	5,230,665	-	-	5,230,665
Sponsor Loans Receivable	982,343	-	(206,326)	776,017
Operating Lease Right-of-Use Asset	192,370	-	(163,171)	29,199
Total Non-Current Assets	6,405,378	-	(369,497)	6,035,881
 <u>TOTAL ASSETS</u>	 \$ 8,380,670	 \$ 8,353,610	 \$ (430,621)	 \$ 16,303,659
 <u>LIABILITIES AND NET ASSETS</u>				
<u>CURRENT LIABILITIES:</u>				
Accounts Payable and Accrued Expenses	\$ 162,813	\$ 118,539	\$ (61,125)	\$ 220,227
Accrued Payroll and Related Costs	196,781	-	-	196,781
Deferred Revenue	6,000	-	-	6,000
Operating Lease Liability	69,286	-	(62,259)	7,027
Total Current Liabilities	434,880	118,539	(123,384)	430,035
 <u>NON-CURRENT LIABILITIES:</u>				
Operating Lease Liability, Non-Current	146,169	-	(123,997)	22,172
Long-Term Debt, Net of Current Portion	-	7,675,325	(206,325)	7,469,000
Total Non-Current Liabilities	146,169	7,675,325	(330,322)	7,491,172
 <u>TOTAL LIABILITIES</u>	 581,049	 7,793,864	 (453,706)	 7,921,207
 <u>NET ASSETS:</u>				
Net Assets Without Donor Restrictions	7,679,621	559,746	23,085	8,262,452
Net Assets With Donor Restrictions	120,000	-	-	120,000
Total Net Assets	7,799,621	559,746	23,085	8,382,452
 <u>TOTAL LIABILITIES AND NET ASSETS</u>	 \$ 8,380,670	 \$ 8,353,610	 \$ (430,621)	 \$ 16,303,659

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

	<u>RSH</u>	<u>WW-NMTC</u>	<u>ELIMIN- ATIONS</u>	<u>CONSOLIDATED TOTAL</u>
<u>SUPPORT AND REVENUES:</u>				
Government Contracts and Grants	\$ 2,024,720	\$ -	\$ -	\$ 2,024,720
Program Service Fees	1,176,018	-	-	1,176,018
Rental Income	-	66,996	(66,996)	-
Gifts, Grants and Contributions	1,149,374	-	-	1,149,374
Interest Income and Investment Return	68,430	-	-	68,430
In-Kind Donations	66,119	-	-	66,119
Miscellaneous Other Revenues	-	1,077	-	1,077
	<u>4,484,661</u>	<u>68,073</u>	<u>(66,996)</u>	<u>4,485,738</u>
<u>TOTAL SUPPORT AND REVENUES</u>				
<u>FUNCTIONAL EXPENSES:</u>				
<i>Program Services:</i>				
Domestic Violence Programs	1,823,684	64,968	(35,076)	1,853,576
Early Learning Center	1,415,013	200,649	(29,788)	1,585,874
Total Program Services	3,238,697	265,617	(64,864)	3,439,450
<i>Supporting Services:</i>				
Administrative	610,534	8,134	(4,388)	614,280
Fund Raising	464,119	17,197	(9,284)	472,032
	<u>4,313,350</u>	<u>290,948</u>	<u>(78,536)</u>	<u>4,525,762</u>
<u>TOTAL FUNCTIONAL EXPENSES</u>				
<u>CHANGE IN NET ASSETS</u>	171,311	(222,875)	11,540	(40,024)
<u>NET ASSETS - BEGINNING OF YEAR</u>	7,799,621	559,746	23,085	8,382,452
<u>NET ASSETS - END OF YEAR</u>	\$ 7,970,932	\$ 336,871	\$ 34,625	\$ 8,342,428

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	<u>RSH</u>	<u>WW-NMTC</u>	<u>ELIMIN- ATIONS</u>	<u>CONSOLIDATED TOTAL</u>
<u>SUPPORT AND REVENUES:</u>				
Government Contracts and Grants	\$ 2,301,989	\$ -	\$ -	\$ 2,301,989
Program Service Fees	1,105,928	-	-	1,105,928
Rental Income	-	66,996	(66,996)	-
Gifts, Grants and Contributions	1,250,747	-	-	1,250,747
Developer Overhead Fee	45,224	-	-	45,224
Interest Income and Investment Return	63,913	-	-	63,913
In-Kind Donations	10,870	-	-	10,870
Miscellaneous Other Revenues	<u>1,093</u>	<u>2,487</u>	<u>-</u>	<u>3,580</u>
<u>TOTAL SUPPORT AND REVENUES</u>	<u>4,779,764</u>	<u>69,483</u>	<u>(66,996)</u>	<u>4,782,251</u>
<u>FUNCTIONAL EXPENSES:</u>				
<i>Program Services:</i>				
Domestic Violence Programs	2,451,351	76,455	(39,481)	2,488,325
Early Learning Center	<u>1,238,309</u>	<u>198,064</u>	<u>(23,741)</u>	<u>1,412,632</u>
Total Program Services	3,689,660	274,519	(63,222)	3,900,957
<i>Supporting Services:</i>				
Administrative	700,605	17,372	(7,344)	710,633
Fund Raising	<u>408,170</u>	<u>15,437</u>	<u>(7,972)</u>	<u>415,635</u>
<u>TOTAL FUNCTIONAL EXPENSES</u>	<u>4,798,435</u>	<u>307,328</u>	<u>(78,538)</u>	<u>5,027,225</u>
<u>CHANGE IN NET ASSETS</u>	<u>(18,671)</u>	<u>(237,845)</u>	<u>11,542</u>	<u>(244,974)</u>
<u>NET ASSETS - BEGINNING OF YEAR</u>	<u>7,818,292</u>	<u>797,591</u>	<u>11,543</u>	<u>8,627,426</u>
<u>NET ASSETS - END OF YEAR</u>	<u>\$ 7,799,621</u>	<u>\$ 559,746</u>	<u>\$ 23,085</u>	<u>\$ 8,382,452</u>

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	<u>RSH</u>	<u>WW-NMTC</u>	<u>ELIMIN- ATIONS</u>	<u>CONSOLIDATED TOTAL</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>				
Change in Net Assets	\$ 171,311	\$ (222,875)	\$ 11,540	\$ (40,024)
<i>Adjustments to Reconcile the Above to Net Cash Provided (Used) by Operating Activities:</i>				
Depreciation Expense	8,029	204,276	-	212,305
Investment Return	(9,061)	-	-	(9,061)
Donated Stock	(9,531)	-	-	(9,531)
<i>(Increase) Decrease in Current Assets:</i>				
Accounts Receivable, Program Services	257,222	-	61,124	318,346
Pledges Receivable	55,000	-	-	55,000
Prepaid Expenses	23,770	-	-	23,770
<i>Increase (Decrease) in Liabilities:</i>				
Accounts Payable and Accrued Expenses	(51,427)	(57,415)	(61,121)	(169,963)
Accrued Payroll and Related Costs	7,248	-	-	7,248
Deferred Revenue	(6,000)	-	-	(6,000)
Operating Lease Liability	(69,286)	-	62,260	(7,026)
<i>(Increase) Decrease in Non-Current Assets:</i>				
Operating Lease Right-of-Use Asset	80,828	-	(73,803)	7,025
Net Adjustment	286,792	146,861	(11,540)	422,113
<u>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>	<u>458,103</u>	<u>(76,014)</u>	<u>-</u>	<u>382,089</u>
<u>NET INCREASE (DECREASE) IN CASH BALANCES</u>	<u>458,103</u>	<u>(76,014)</u>	<u>-</u>	<u>382,089</u>
<u>CASH BALANCES - BEGINNING OF YEAR</u>	<u>766,429</u>	<u>264,555</u>	<u>-</u>	<u>1,030,984</u>
<u>CASH BALANCES - END OF YEAR</u>	<u>\$ 1,224,532</u>	<u>\$ 188,541</u>	<u>\$ -</u>	<u>\$ 1,413,073</u>
<i>Supplemental Disclosure:</i>				
Interest Paid	\$ -	\$ 48,132	\$ -	\$ 48,132

ROXBURY STONE HOUSE, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	<u>RSH</u>	<u>WW-NMTC</u>	<u>ELIMIN- ATIONS</u>	<u>CONSOLIDATED TOTAL</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>				
Change in Net Assets	\$ (18,671)	\$ (237,845)	\$ 11,542	\$ (244,974)
<i>Adjustments to Reconcile the Above to Net Cash Provided by Operating Activities:</i>				
Depreciation Expense	8,030	204,469	-	212,499
Investment Return	(8,812)	-	-	(8,812)
Donated Stock	(12,442)	-	-	(12,442)
<i>(Increase) Decrease in Current Assets:</i>				
Accounts Receivable, Program Services	297,403	-	61,124	358,527
Pledges Receivable	(65,000)	-	-	(65,000)
Prepaid Expenses	(35,636)	-	-	(35,636)
<i>Increase (Decrease) in Liabilities:</i>				
Accounts Payable and Accrued Expenses	(109,509)	60,242	(61,124)	(110,391)
Accrued Payroll and Related Costs	155,938	-	-	155,938
Deferred Revenue	6,000	-	-	6,000
Operating Lease Liability	(67,107)	-	60,356	(6,751)
<i>(Increase) Decrease in Non-Current Assets:</i>				
Operating Lease Right-of-Use Asset	78,650	-	(71,898)	6,752
Net Adjustment	<u>247,515</u>	<u>264,711</u>	<u>(11,542)</u>	<u>500,684</u>
<u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u>	<u>228,844</u>	<u>26,866</u>	<u>-</u>	<u>255,710</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>				
Purchase of Short-Term Investments	<u>(184,521)</u>	<u>-</u>	<u>-</u>	<u>(184,521)</u>
Net Cash Flows From Investing Activities	<u>(184,521)</u>	<u>-</u>	<u>-</u>	<u>(184,521)</u>
<u>NET INCREASE IN CASH BALANCES</u>	<u>44,323</u>	<u>26,866</u>	<u>-</u>	<u>71,189</u>
<u>CASH BALANCES - BEGINNING OF YEAR</u>	<u>722,106</u>	<u>237,689</u>	<u>-</u>	<u>959,795</u>
<u>CASH BALANCES - END OF YEAR</u>	<u>\$ 766,429</u>	<u>\$ 264,555</u>	<u>\$ -</u>	<u>\$ 1,030,984</u>
<i>Supplemental Disclosure:</i>				
Interest Paid	<u>\$ -</u>	<u>\$ 52,507</u>	<u>\$ -</u>	<u>\$ 52,507</u>