

**COMMUNITY HOUSING COALITION  
OF MADISON COUNTY, INC.**

INDEPENDENT AUDITOR'S REPORT  
AND FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2021



CERTIFIED PUBLIC ACCOUNTANTS

**Community Housing Coalition of Madison County, Inc.**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Community Housing Coalition of Madison County, Inc.  
Marshall, North Carolina

We have audited the accompanying financial statements of Community Housing Coalition of Madison County, Inc., which comprise the statement of financial position as of October 31, 2021, the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these 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.

### **Auditor's Responsibility**

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

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

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

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Housing Coalition of Madison County, Inc. as of October 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Supplementary Information**

The supplementary schedule, Reclaim Store-Schedule of Revenue and Expenses, activities is presented for purposes of additional analysis and are not a required part of the basic 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

**Summarized Comparative Information**

We have previously audited the Community Housing Coalition of Madison County's 2020 financial statements, and our report dated April 28, 2021, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended October 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Carliss & Solomon, PLLC*

Asheville, North Carolina  
April 28, 2022

# Community Housing Coalition of Madison County, Inc.

## Statement of Financial Position

As of October 31, 2021

(With summarized comparative totals as of October 31, 2020)

	<u>2021</u>	<u>2020</u>
<b><u>Assets</u></b>		
<b><u>Current Assets</u></b>		
Cash and Cash Equivalents	\$ 479,507	\$ 194,646
Inventory	10,786	31,848
Grants Receivable	55,000	125,000
Accounts Receivable	22,216	-
Other Assets	6,625	4,468
Total Current Assets	<u>574,134</u>	<u>355,962</u>
<b><u>Long-Term Assets</u></b>		
Property and Equipment, Net	56,340	66,133
Total Long-Term Assets	<u>56,340</u>	<u>66,133</u>
<b>Total Assets</b>	<b><u>\$ 630,474</u></b>	<b><u>\$ 422,095</u></b>
<b><u>Liabilities and Net Assets</u></b>		
<b><u>Current Liabilities</u></b>		
Accounts Payable	\$ 14,597	\$ 6,148
Payroll Taxes Payable	6,146	4,854
Accrued Payroll	17,659	14,156
Notes Payable- Current Portion	45,840	23,225
Total Current Liabilities	<u>84,242</u>	<u>48,383</u>
<b><u>Long-Term Liabilities</u></b>		
Note Payable- Long-term Portion	-	45,841
Total Long-Term Liabilities	<u>-</u>	<u>45,841</u>
Total Liabilities	<u>84,242</u>	<u>94,224</u>
<b><u>Net Assets</u></b>		
Without Donor Restrictions	260,735	124,245
With Donor Restrictions	285,497	203,626
Total Net Assets	<u>546,232</u>	<u>327,871</u>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 630,474</u></b>	<b><u>\$ 422,095</u></b>

*The accompanying disclosures are an integral part of these financial statements.*

# Community Housing Coalition of Madison County, Inc.

## Statement of Activities

Year Ended October 31, 2021

(With summarized comparative totals for the prior year)

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total 2021</b>	<b>Total 2020</b>
<b><u>Support and Revenue</u></b>				
Government Grants	\$ 266,844	\$ 184,817	\$ 451,661	\$ 268,716
Foundation Grants	157,112	214,733	371,845	402,738
Contributions	105,359	-	105,359	56,418
Fundraising Events	-	-	-	4,414
In-Kind Contributions	18,729	-	18,729	163,660
ReClaim Store Revenue	113,621	-	113,621	99,289
Other Income	55,120	-	55,120	692
Net Assets Released from Restrictions	317,679	(317,679)	-	-
<b>Total Support and Revenue</b>	<b>1,034,464</b>	<b>81,871</b>	<b>1,116,335</b>	<b>995,927</b>
<b><u>Expenses</u></b>				
Program Services	732,004	-	732,004	664,052
Management and General	118,981	-	118,981	111,428
Fundraising	46,989	-	46,989	58,728
<b>Total Expenses</b>	<b>897,974</b>	<b>-</b>	<b>897,974</b>	<b>834,208</b>
Change in Net Assets During Year	136,490	81,871	218,361	161,719
Net Assets Beginning of Year	124,245	203,626	327,871	166,152
<b>Net Assets End of Year</b>	<b>\$ 260,735</b>	<b>\$ 285,497</b>	<b>\$ 546,232</b>	<b>\$ 327,871</b>

*The accompanying disclosures are an integral part of these financial statements.*

# Community Housing Coalition of Madison County, Inc.

## Statement of Functional Expenses

Year Ended October 31, 2021

(With summarized comparative totals for the prior year)

	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total 2021</b>	<b>Total 2020</b>
Salaries	\$ 209,561	\$ 36,187	\$ 35,621	\$ 281,369	\$ 233,957
Payroll Taxes	17,724	4,206	4,140	26,070	20,407
Employee Benefits	-	2,314	-	2,314	-
Total Personnel	227,285	42,707	39,761	309,753	254,364
Building Supplies	16,692	-	-	16,692	36,807
Community Action Project	15,075	-	-	15,075	31,860
Contract Workers	339,948	-	-	339,948	162,306
Direct Client Assistance	19,820	-	-	19,820	10,183
Dues	-	815	-	815	-
Equipment and Maintenance	2,528	-	-	2,528	5,217
Fundraising Expense	-	477	5,519	5,996	6,517
Insurance	274	10,349	-	10,623	9,886
Miscellaneous Expense	3,248	653	-	3,901	2,159
Printing and Postage	402	-	-	402	648
Professional Fees	3,500	15,260	-	18,760	13,753
Occupancy	-	21,138	-	21,138	28,980
Supplies	-	2,813	-	2,813	2,222
Subscriptions and Training	2,465	-	-	2,465	3,133
Telephone	-	9,367	-	9,367	8,002
Travel and Transportation	1,016	-	-	1,016	1,037
Website and Web Hosting	-	1,708	1,709	3,417	240
Subtotal	632,253	105,287	46,989	784,529	577,314
Depreciation	-	13,694	-	13,694	3,823
Donated Assets Utilized	-	-	-	-	102,043
In-Kind Expenses	18,730	-	-	18,730	51,817
ReClaim Store Expenses	81,021	-	-	81,021	99,211
<b>Total Expenses</b>	<b>\$ 732,004</b>	<b>\$ 118,981</b>	<b>\$ 46,989</b>	<b>\$ 897,974</b>	<b>\$ 834,208</b>

*The accompanying disclosures are an integral part of these financial statements.*

# Community Housing Coalition of Madison County, Inc.

## Statement of Cash Flows

Year Ended October 31, 2021

(With summarized comparative totals for the prior year)

	2021	2020
<b><u>Cash Flows from Operating Activities</u></b>		
Change in Net Assets	\$ 218,361	\$ 161,719
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	13,694	3,823
Donated Assets	-	(9,699)
(Increase)/Decrease in Operating Assets:		
Grants Receivable	70,000	(75,000)
Inventory	21,062	24,414
Accounts Receivable	(22,216)	-
Other Assets	(2,157)	-
(Decrease)/Increase in Operating Liabilities:		
Accounts Payable	8,449	5,405
Payroll Taxes Payable	1,292	1,114
Accrued Payroll	3,503	2,343
Net Cash Provided by Operating Activities	311,988	114,119
<b><u>Cash Flows from Investing Activities</u></b>		
Purchase of Property and Equipment	(3,901)	(25,099)
Net Cash Used by Investing Activities	(3,901)	(25,099)
<b><u>Cash flows from Financing Activities:</u></b>		
Principal Payments on Long-Term Debt	(23,226)	(78,203)
Net Cash Used by Financing Activities	(23,226)	(78,203)
Net Change in Cash and Cash Equivalents	284,861	10,817
Cash and Cash Equivalents, Beginning of Year	194,646	183,829
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 479,507</b>	<b>\$ 194,646</b>
 Supplemental Disclosure of Cash Flow Information		
Cash Paid for Interest	\$ 4,392	\$ 9,846
Donated Asset Received	\$ -	\$ 9,699
Donated Assets Utilized	\$ -	\$ 102,043

*The accompanying disclosures are an integral part of these financial statements.*



# **Community Housing Coalition of Madison County, Inc.**

## **Disclosures to the Financial Statements**

Year Ended October 31, 2021

### **1. Description of Organization**

Community Housing Coalition of Madison County, Inc. (the Coalition) was formed to promote and facilitate healthy, safe, and affordable housing through advocacy, education, and resource development for the residents of Madison County, North Carolina. The Coalition is a community-based non-profit which oversees home repairs and rehabilitation projects for low-income homeowners, many of whom are veterans, elderly, or disabled persons, by bridging people and resources. With the Coalition's coordination of local contractors, volunteers, and visiting summer mission groups, this region's community can continue its rich tradition of neighbors helping neighbors, address critical housing needs, and those from outside the community are able to build relationships with the individuals/families they serve.

The Coalition was established in 2002 as a nonprofit corporation under the laws of the State of North Carolina. It qualifies for exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue code. In addition, it has been classified as a publicly supported organization under Section 509(a)(1).

### **2. Summary of Significant Accounting Policies**

#### Basis of Accounting

The financial statements have been prepared on an accrual basis of accounting and conform to accounting principles generally accepted in the United States of America (U.S. GAAP), as applicable to not-for-profit organizations.

#### Financial Statement Presentation

The classification of the Organization's net assets, and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of two classes of net assets – without donor restrictions and with donor restrictions – be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

The classes of net assets are defined as follows:

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

*Net Assets With Donor Restrictions* - Includes net assets that are subject to restrictions imposed by donors or grantors. Some donor and grantor restrictions are temporary in nature, such as those with a specified purpose or a timeframe for expenditure established by the donor or grantor. Other donor-imposed restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity.

#### Cash and Cash Equivalents

The Organization's cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase, except for those amounts that are held in the investment portfolio which are invested for long-term purposes.

### Concentration of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents. The Organization maintains its cash and cash equivalents in various bank accounts that, at times, may exceed FDIC federally insured limits. The Organization's cash and cash equivalent accounts have been placed with high credit quality financial institutions. The Organization has not experienced, nor does it anticipate, any losses with respect to such accounts.

### Inventory

Inventory consists of ReClaim Thrift Store items for sale. Purchased items are valued at cost on a first-in, first-out basis and donated items are valued at fair market value on the date of receipt.

### Investments

The Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment return/(loss) is reported in the statement of activities and consists of interest and dividend income and realized and unrealized capital gains and losses, net of investment expenses.

### Accounts Receivable

Accounts receivable represent uncollected amounts for program services carried out on a fee-for-service basis. An allowance for doubtful accounts is established for amounts deemed uncollectible, if needed.

### Contributions and Grants Receivable

Contributions and grants receivable, without conditions, and expected to be collected within one year are recorded at net realizable value; those expected to be collected in more than one year are recorded at the present value of their future cash flows, using a risk-adjusted interest rate. Any provision for uncollectible receivables is estimated by management based on historical collection experience.

### Property and Equipment

Property and equipment purchases are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. The Organization has adopted a capitalization threshold of \$500 per item. Expenses for repairs and maintenance that do not improve or extend the life of an asset are expensed as incurred.

### Contributions and Grants

Contributions and grants are recognized in support: (1) when the Organization receives cash, securities or other assets from a donor or grantor, (2) when a donor conveys a promise to make a donation in the future, on an unconditional basis, and (3) when a grantor awards a grant to be paid in the future, on an unconditional basis. Contributions and grants with conditions, such as performance requirements, are not recognized until the conditions on which they depend have been substantially met.

### Program Service Revenue

Program service revenue is recognized when earned by providing services or goods. Payments received in advance of being earned are deferred to the applicable period in which the related services are performed, or goods are provided. In accordance with U.S. GAAP, the Organization follows principles for recognizing revenue from contracts with customers (*ASU*) 2014-09, *Revenue from Contracts with Customers* (Topic 606). The guidance requires an entity to recognize revenue to depict the transfer of goods or services to customers in an amount that

reflects the consideration to which an entity expects to be entitled in exchange for those goods or services.

#### *In-Kind Contributions*

The Organization recognizes contributed goods and the use of facilities at estimated fair value on the date of receipt. 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. When recognized, contributed services are reported at fair value.

#### *Fair Value Measurements*

Fair value is the price that would be received to sell an asset or the price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. Certain valuation techniques are used to measure fair value. There are three broad levels as follows:

*Level 1* – (the highest level) inputs are based on quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date. For example, securities traded in an active market are valued using Level 1 inputs.

*Level 2* – inputs are observable inputs other than quoted prices, either directly or indirectly through corroboration with observable market data. If the asset or liability has a specified term, the Level 2 input must be observable for substantially the full term.

*Level 3* – inputs are unobservable inputs for the asset or liability, meaning the inputs reflect the Organization's own assumptions about the assumptions market participants would use in pricing the asset or liability, including inputs related to risk, which have been developed based on the best information available in the circumstances.

#### *Use of Estimates*

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

#### *Functional Allocation of Expenses*

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Certain categories of expenses that are attributable to more than one program or supporting function, require managements allocation on a reasonable basis that is consistently applied. The primary allocation basis used by management for personnel expenses and applicable overhead expenses is estimated based on employee time and effort.

#### *Income Taxes/Uncertain Tax Positions*

The Coalition is exempt from federal income taxes under 501(c)(3) of the Internal Revenue Code. Under the Code, however, income from certain activities not related to the Organization's tax-exempt purpose may be subject to taxation as unrelated business income. The Organization had no income from unrelated business activities in 2020-21 and was, therefore, not required to file Federal Form 990-T (Exempt Organization Business Income Tax Return). The Organization believes that it has appropriate support for all tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Summarized Comparative Data

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's audited financial statements for the year ended October 31, 2020, from which the summarized information was derived. Certain amounts in the prior-year financial statements have been reclassified to conform to the current year's presentation.

**3. Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, consists of cash in the amount of \$479,507. The Coalition receives contributions and grants restricted but the contributor or grantor to particular purposes that are central to the organization's programs. The Coalition considers these to be available to meet cash needs for general expenditures.

The Coalition's goal is generally to maintain financial assets to meet a minimum of 60 days of essential operating expenses (approximately \$60,000) in cash and cash equivalent accounts.

**4. Cash and Cash Equivalents**

The cash and cash equivalent balances consists of the following:

<u>As of October 31:</u>	<u>2021</u>	<u>2020</u>
Money Market Accounts	\$ 25,003	\$ 25,000
Operating Accounts	399,419	131,027
ReClaim Store	54,533	37,860
Petty Cash	552	759
Total Cash and Cash Equivalents	<u>\$ 479,507</u>	<u>\$ 194,646</u>

As of October 31, 2021, the Organization had exceeded the federally insured limit in cash accounts by \$228,575. Management believes the Organization is not exposed to any significant credit risk on its cash balances.

**5. Inventory**

The Coalition held inventory for the ReClaim store totaling \$10,786 and \$31,848 as of October 31, 2021 and 2020, respectively. The inventory is comprised of donated items including appliances, building materials, large home furnishings, lighting fixtures, and antiques.

**6. Property and Equipment**

Property and equipment consists of the following:

<u>As of October 31:</u>	<u>2021</u>	<u>2020</u>
Land	\$ 7,000	\$ 7,000
Office Equipment	2,986	1,460
Vehicle	67,574	65,199
Less: Accumulated Depreciation	<u>(21,220)</u>	<u>(7,526)</u>
Property and Equipment, Net	<u>\$ 56,340</u>	<u>\$ 66,133</u>

Depreciation expense was \$13,694 and \$3,823 for the years ended October 31, 2021 and 2020, respectively.

**7. Net Assets With Donor Restrictions**

The Coalition had net assets with donor restrictions for the following purposes:

<u>As of October 31:</u>	<u>2021</u>	<u>2020</u>
Urgent Repair Projects	\$ 131,513	\$ 115,311
Capacity Building	32,250	13,315
Housing Program	121,733	-
Time Restricted	-	75,000
Total Restricted Net Assets	<u>\$ 285,497</u>	<u>\$ 203,626</u>

**8. Notes Payable**

The Coalition's outstanding note payable obligation is shown below:

In April 10, 2019, a note payable of \$150,000 was obtained to assist with the new ReClaim Thrift Store. Terms call for monthly payments of \$2,301 with interest at 7.5% payable over three years with a balloon payment due April 10, 2022.

Total Balance as of October 31, 2021	\$ 45,840
Less: Current Maturities	<u>(45,840)</u>
Notes Payable, Net of Current Maturities	<u>\$ -</u>

The following is a summary of maturities for the years ending October 31:

2022	<u>45,840</u>
Total	<u>\$ 45,840</u>

**9. Conditional Grants and Pledges**

On September 8, 2021, the Coalition was awarded a three-year grant totaling \$365,200 from a local foundation. The first payment was received prior to year-end and payments in the amount of \$121,733 are expected in fiscal years 2022 and 2023. This grant contained conditions that the Coalition must provide progress reports and achieve certain program goals. Per U.S. GAAP, conditional grants and pledges are not recognized until the applicable conditions are met. Accordingly, the amounts for fiscal years 2022 and 2023 have not been recognized in the accompanying financial statements.

**10. ReClaim Madison: Salvage & Thrift Store**

The Organization receives items to be sold at the ReClaim store, and it is the Organization's policy to donate unsold items or hold them as inventory on the statement of financial position. The Coalition operates a retail store that accepts donated salvage building materials, used furniture and appliances and sells them to the public at discounted prices. Store income and expenses for the 2021 and 2020 fiscal years are presented in the accompanying supplementary schedule, ReClaim Store Schedule of Revenue and Expenses.

**11. In-Kind Contributions**

During the year, the Coalition utilized building supplies without charge in program activities and for sale in the Reclaim store where appropriate. Total contributed supplies of \$18,729 and \$51,918 are recognized on the statement of activities for the years ended October 31, 2021 and 2020, respectively.

**12. Lease Agreements**

The Coalition leases its office space under a one-year lease agreement and is continued on a month-to-month basis. Monthly payments are \$1,643 and rent expense for the year ended October 31, 2021 was \$20,100.

The Coalition's ReClaim store space is leased under a three-year agreement that began on April 4, 2019 and expires on April 3, 2022. Rent expense for the year ended October 31, 2021 was \$26,400. Future minimum lease obligations consist of the following:

<u>Years Ending October 31:</u>	
2022	<u>11,000</u>
Total Remaining Obligations	<u>\$ 11,000</u>

**13. Concentration of Support**

The Coalition receives approximately 29% of its operating support from the North Carolina Housing Finance Agency.

**14. Volunteers**

The Coalition makes extensive use of volunteers to carry out its programs. For the fiscal year ended October 31, 2021, volunteers contributed 5,025 hours, with a total value of \$75,385 based on a rate of \$15.00 per hour. The services contributed by volunteers did not meet the requirements of U.S. GAAP for recognition in income.

**15. Uncertainties**

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus (the COVID-19 outbreak) and the risks to the international community as the virus spreads globally. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Organization's financial condition, liquidity, and future results of operations. Management is actively monitoring the effects of the global situation on the Organization's financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Organization is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial conditions, or liquidity for the fiscal year 2022.

**16. Subsequent Events**

The Coalition received a loan on January 26, 2022, for \$705,500 for the purchase of a new property that will be used for both its central offices and the ReClaim Store. Terms call for monthly payments of \$4,297 with 4% interest payable over 4 years with a balloon payment due January 10, 2028.

Subsequent events have been evaluated through April 28, 2022 which is the date the financial statements were available to be issued.

**Community Housing Coalition of Madison County, Inc.**  
ReClaim Store - Schedule of Revenue and Expenses

Year Ended October 31, 2021

(With summarized comparative totals for the prior year)

<b>Revenue</b>	<b>2021</b>	<b>2020</b>
Sales	\$ 109,869	\$ 97,791
Contributions	3,752	1,498
<b>Total Revenue</b>	<b>113,621</b>	<b>99,289</b>
<b>Expenses</b>		
Advertising	1,713	1,815
Cost of Goods Sold	26,806	50,151
Insurance	2,349	2,263
Interest Expense	4,392	9,735
Occupancy	26,400	26,400
Office Supplies and Equipment	1,498	884
Other Expenses	12,114	2,244
Professional Services	720	889
Repairs and Maintenance	77	1,030
Telecommunications	1,775	1,338
Utilities	3,177	2,462
ReClaim Store Expenses Excluding Wages	81,021	99,211
Salaries, Wages and Taxes	57,047	49,043
<b>Total Expenses</b>	<b>138,068</b>	<b>148,254</b>
<b>Net Income</b>	<b>\$ (24,447)</b>	<b>\$ (48,965)</b>

*See accompanying disclosures to the financial statements.*

**SUPPLEMENTARY SCHEDULE**