

HABITAT FOR HUMANITY OF  
LAKE-SUMTER, FLORIDA, INC.

FINANCIAL STATEMENTS

JUNE 30, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Management  
Habitat for Humanity of Lake-Sumter, Florida, Inc.

We have audited the accompanying financial statements of Habitat for Humanity of Lake-Sumter, Florida, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021 and 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 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 Habitat for Humanity of Lake-Sumter, Florida, Inc. as of June 30, 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.

A handwritten signature in black ink that reads "Silvano + Burroughs, PA". The signature is written in a cursive, stylized font.

Mount Dora, FL  
January 14, 2022

HABITAT FOR HUMANITY OF LAKE-SUMTER, FLORIDA, INC.  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2021

<u>ASSETS</u>	
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	\$ 1,171,615
Grants receivable	190,579
Inventory held for sale - Habitat ReStore	122,101
Escrow advances	46,298
Mortgage notes receivable, unpledged, net of discount	155,253
Mortgage notes receivable, pledged, net of discount	38,036
Total current assets	1,723,882
<b>LONG-TERM ASSETS</b>	
Mortgage notes receivable, unpledged, net of discount and current portion	1,317,600
Mortgage notes receivable, pledged, net of discount and current portion	517,702
Land for future home sites	930,946
Construction in process	609,583
Land, buildings & equipment, net of accumulated depreciation	2,505,365
Intangible assets, net of accumulated amortization	5,420
Other assets	36,027
Total long-term assets	5,922,643
<b>TOTAL ASSETS</b>	<b>\$ 7,646,525</b>
<u>LIABILITIES AND NET ASSETS</u>	
<b>CURRENT LIABILITIES</b>	
Accounts payable	\$ 17,636
Accrued expenses	63,429
Payroll liabilities	21,065
Sales tax liability	6,025
Funds held for others	12,656
Line of credit	582,990
Current portion of notes payable	379,963
Other current liabilities	2,840
Total current liabilities	1,086,604
<b>LONG-TERM LIABILITIES</b>	
Notes payable	349,687
Total liabilities	1,436,291
<b>NET ASSETS</b>	
Net assets without donor restrictions	6,162,642
Net assets with donor restrictions	47,592
Total net assets	6,210,234
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 7,646,525</b>

HABITAT FOR HUMANITY OF LAKE-SUMTER, FLORIDA, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021

NET ASSETS WITHOUT DONOR RESTRICTIONS

Revenues:

In-kind donations - ReStore	\$ 980,423
Home and land sales	833,966
Donations	500,621
Mortgage discount amortization	226,318
In-kind donations - Homebuilding	318,766
Fund-raising projects	41,349
Global Village income	38,400
Rental income	19,610
Grants	602,093
Paycheck Protection Program proceeds (Note I)	289,600
Other income	11,974
Thrift store sales, net of cost of goods	(64,303)
Recapture of forgivable mortgage	21,000
Gain on asset dispositions	<u>288,056</u>

Total Undesignated Revenues, Gains, and Other Support 4,107,873

Net Assets Released from Restrictions 456,476

Total Revenues and Reclassifications 4,564,349

Expenses:

Thrift stores	695,888
Housing	995,666
General and administrative	395,265
Other programs	206,899
Global Village	114,808
Fund development	361,009
Youth construction	<u>240,236</u>

Total Expenses 3,009,771

INCREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS 1,554,578

NET ASSETS WITH DONOR RESTRICTIONS

Donations	47,592
Net Assets Released from Restrictions	<u>(456,476)</u>

DECREASE IN NET ASSETS WITH DONOR RESTRICTIONS (408,884)

INCREASE IN NET ASSETS 1,145,694

NET ASSETS AT BEGINNING OF YEAR 5,064,540

NET ASSETS AT END OF YEAR \$ 6,210,234

HABITAT FOR HUMANITY OF LAKE-SUMTER, FLORIDA, INC  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2021

	Thrift Stores	Housing	Global Village/VM	Youth Construction	Other Programs	Administrative	Fund Development	Total
Personnel	\$ 515,672	\$ 176,485	\$ 51,212	\$ 100,315	\$ 10,590	\$ 179,829	\$ 229,537	\$ 1,263,640
Advertising and newsletters	1,769	352	72	3,324	-	204	87,492	93,213
Collegiate challenge	-	-	81	-	-	-	-	81
Community preservation	-	-	-	-	185,974	-	-	185,974
Construction goods and services	-	562,166	-	105,407	-	-	-	667,573
Bank and credit card fees	21,470	1,230	-	18	-	977	-	23,695
Depreciation and amortization	48,052	61,345	26,903	647	-	2,825	4,189	143,961
Dues and subscriptions	312	2,430	110	1,495	-	2,515	2,899	9,761
Insurance	2,026	9,009	2,375	9,384	556	19,898	169	43,417
Legal and accounting	-	7,574	-	-	-	14,258	-	21,832
Loan interest	4,097	19,781	-	-	-	16,334	-	40,212
Merchandise and apparel	1,130	-	-	-	-	178	-	1,308
Minor equipment and tools	923	7,659	-	4,480	595	864	470	14,991
Office expense	8,789	688	1,493	280	7	3,043	565	14,865
Other expenses	1,040	579	-	312	50	6,646	200	8,827
Printing and postage	126	3,362	7	28	55	1,103	7,150	11,831
Property taxes	178	1,853	-	1,061	-	813	-	3,905
Rent	60	60	-	-	-	32,303	-	32,423
Repairs and maintenance	6,457	249	2,922	13	12	404	36	10,093
Service agreements	6,643	34,464	11,653	606	612	45,094	6,842	105,914
Special events	123	50	-	253	-	-	6,455	6,881
Tithe	-	15,000	-	-	-	15,000	-	30,000
Title transfer and recording fees	88	326	-	-	-	475	-	889
Training and conferences	68	693	77	551	-	10,697	1,256	13,342
Travel and mileage	656	-	-	-	6	905	-	1,567
Utilities	44,767	15,479	16,484	4,451	4,104	30,381	5,850	121,516
Vehicle operation and maintenance	31,442	11,446	116	7,454	4,301	10,406	7,899	73,064
Volunteer costs	-	42	1,303	157	37	113	-	1,652
Discount on mortgages issued	-	63,344	-	-	-	-	-	63,344
	<u>\$ 695,888</u>	<u>\$ 995,666</u>	<u>\$ 114,808</u>	<u>\$ 240,236</u>	<u>\$ 206,899</u>	<u>\$ 395,265</u>	<u>\$ 361,009</u>	<u>\$ 3,009,771</u>

HABITAT FOR HUMANITY OF LAKE-SUMTER, FLORIDA, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase in net assets	\$ 1,145,694
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation and amortization	143,961
Amortization of discounts on loans receivable	(226,318)
Loans receivable issued	(104,926)
Discounts on loans receivable issued	63,444
Gain on disposal of assets	(288,056)
(Increase) decrease in:	
Escrow advances	(24,670)
Inventory	71,802
Grants receivable	(172,383)
Prepaid expenses	28,985
Other assets	(3,958)
Increase (decrease) in:	
Accounts payable	(51,999)
Accrued expenses	10,053
Other liabilities	(16,576)
Total adjustments	<u>(570,641)</u>
Net increase in cash from operating activities	<u>575,053</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchases of property and equipment	(740,122)
Proceeds from sale of building and land	325,000
Construction in process	(301,490)
Land for future home sites	(12,312)
Payments received on mortgage notes receivable	458,135
Net decrease in cash from investing activities	<u>(270,789)</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

Proceeds from line of credit	296,130
Repayment of line of credit	(13,140)
Loan proceeds	277,961
Note payments	(345,106)
Net increase in cash from financing activities	<u>215,845</u>

NET INCREASE IN CASH 520,109

CASH AT BEGINNING OF YEAR 651,506

CASH AT END OF YEAR \$ 1,171,615

Non-cash transactions for June 30, 2021 included in-kind donations of \$1,299,189.  
Interest paid was \$40,212.



HABITAT FOR HUMANITY OF LAKE-SUMTER, FLORIDA, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2021

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**A. Summary of Significant Accounting Policies**

*Organization and Purpose* – Habitat for Humanity of Lake-Sumter, Florida, Inc. (the Organization), a nonprofit organization, was incorporated on October 13, 1989. The Organization is an affiliate of Habitat for Humanity International, Inc. a nondenominational Christian nonprofit organization whose purpose is to create decent, affordable housing for those in need, and to make decent shelter a matter of conscience with people everywhere. Although Habitat International assists with information resources, training, publications, and prayer support, the Organization is primarily and directly responsible for its own operations. The Organization is a local organization which is supported by individuals, clubs, businesses, churches, and thrift store sales.

The Organization is a nonprofit organization described in Section 501(c)(3) of the Internal Revenue Code under a group exemption letter issued to Habitat International and is exempt from federal and state income taxes.

*Basis of Presentation* – The financial statements of the Organization have been prepared on the accrual basis of accounting. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restriction.

Net assets without donor restrictions – Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

Net assets with donor restrictions – Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contributions were received.

*Fair Values of Financial Instruments* – The following methods and assumptions were used by the Organization in estimating its fair value disclosures for financial instruments.

Cash and cash equivalents – The carrying amounts reported in the statement of financial position approximate fair value because of the short maturities of those instruments.

Mortgage notes receivable – The carrying amount approximates fair value, which is determined by discounting the future cash flows using rates that approximate the current rates at which similar loans would be made to borrowers with similar credit ratings and for the same remaining maturities. Interest income (amortization of the discount) is recorded using the effective interest method over the lives of the mortgage notes.

HABITAT FOR HUMANITY OF LAKE-SUMTER, FLORIDA, INC.  
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*Estimates* – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions affecting 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 reporting period. Actual results could differ from those estimates.

*Cash and Cash Equivalents* – The Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

*Inventory* – The Organization receives donations of building materials that would otherwise have to be purchased to complete house construction. The fair value of these goods is recognized as revenue and inventory when received. They are expensed as construction costs when used. The Organization did not have any building materials on hand as of June 30, 2021.

Habitat ReStore inventory includes furniture, household items, and other materials used for re-sale. Habitat estimates the value of donated inventory items are at fair value as determined by management using average monthly sales for the year, based on an estimated inventory turnover rate of 8 times annually. Inventory held for sale at June 30, 2021 was \$122,101. ReStore sales and cost of sales for the year ending June 30, 2021 were \$984,322 and \$1,048,625, respectively.

*Fair Value Measurements* – The Organization has adopted FASB ASC 820, which clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participant would use in pricing an asset or liability. As a basis for considering such assumptions, ASC 820 establishes a three-tier value hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

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

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in the active markets; quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

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

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

In accordance with FASB ASC 820, the Organization measures cash and cash equivalents and marketable securities at fair value. Realized and unrealized gains and losses on marketable securities are determined by using specific identification.

HABITAT FOR HUMANITY OF LAKE-SUMTER, FLORIDA, INC.  
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Fair value for securities that are traded on a national securities exchange is based upon the last reported sales price on the last business day of the year. Fair value for investments traded in the over-the-counter market, and listed securities for which no sale was reported on that date, is based upon average of the last reported bid and ask price.

*Promises to Give* – Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in donor restricted net assets depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

*Land for Future Home Sites* – These parcels are held by the Organization to be used for future home building sites. Donated parcels are recorded at appraised valuation. Purchased and foreclosed parcels are recorded at cost. Real estate assets are evaluated for impairment if impairment indicators are present. An impairment write-down to fair value less costs to sell occurs when management believes that events or changes in circumstances indicate that its carrying amount may not be recoverable. No impairment losses were recorded during 2021.

*Construction in Process* – All direct material and equipment costs and those indirect costs related to home construction are recorded as construction in process on the statement of financial position. When revenue from the sale of a home is recognized, the corresponding costs are then expensed in the statement of activities as program services.

*Property and Equipment* – It is the Organization’s policy to capitalize property and equipment over \$500. Lesser amounts are expensed. Property and equipment are recorded at cost if purchased or at their estimated fair value at date of donation. Depreciation is provided using the straight-line method over the following estimated useful lives:

Building and Improvements	10 – 40 years
Office Equipment, Furniture & Fixtures	5 – 7 years

*Warranties* – The Organization provides a one-year warranty covering general defects in materials and workmanship on each home sold. Warranty costs are expensed when incurred.

*Functional Expense Allocation* – Program and supporting expenses are classified to the function which incurred the expenses when specifically identifiable. Certain expenses are allocated to each function based on management’s estimation of time spent within each function.

**B. Accounts Receivable**

Accounts receivable represents amounts due from clients and vendors. Due to the nature of the receivable, prior years’ experience and analysis of the specific receivables, management believes that the amounts are fully collectible; therefore, no allowance for doubtful accounts has been recorded.

HABITAT FOR HUMANITY OF LAKE-SUMTER, FLORIDA, INC.  
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**C. Sales to Homeowners**

During the year ending June 30, 2021, there were 5 homes sold to qualifying applicants. Home closings for June 30, 2021 were \$833,966, and mortgage discounts relating to these sales were \$63,344 for the year ending June 30, 2021, as some applicants received third party financing.

**D. Mortgage Notes Receivable**

Mortgage notes receivable consist of noninterest-bearing and below-market interest-bearing mortgage notes which are secured by real estate and payable in monthly installments. Most of the mortgage notes have an original maturity of 20 to 30 years and arose in connection with the Organization's homebuilding initiatives in Lake and Sumter Counties of Florida. As the payments are received, the discount is amortized to recognize the imputed interest portion of each payment. The amortization of the discount is shown as mortgage discount amortization revenue on the statement of activities. Amortization included as revenue for the fiscal year amounted to \$226,318. Mortgage notes receivable at June 30, 2021 are presented net of unamortized discount resulting from the imputation of interest, as follows:

Mortgage notes receivable at face value	\$ 3,673,132
Less unamortized discount ranging from 6% to 10%	<u>(1,644,541)</u>
	<u><u>\$ 2,028,591</u></u>

These mortgage notes will be received as follows:

Year Ending June 30,	
2022	\$ 318,800
2023	318,800
2024	318,800
2025	318,800
2026 and thereafter	<u>2,397,932</u>
	<u><u>\$ 3,673,132</u></u>

The Organization received \$458,135 in total mortgage principal and interest payments during the fiscal year ending June 30, 2021.

HABITAT FOR HUMANITY OF LAKE-SUMTER, FLORIDA, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
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**E. Pledged Receivables**

The Organization pledged the following amounts as collateral for loans as of June 30, 2021:

Flex 2015 mortgage notes at face value	\$ 796,915
Flex 2014 mortgage notes at face value	334,856
Mortgage notes discount	<u>(576,033)</u>
	<u>\$ 555,738</u>

**F. Land, Buildings and Equipment**

Land, buildings and equipment are comprised of the following at June 30, 2021:

Land, building and improvements	\$ 3,096,187
Office equipment, furniture & fixtures	302,723
Transportation equipment	<u>371,003</u>
	3,769,913
Less accumulated depreciation	<u>(1,264,548)</u>
	<u>\$ 2,505,365</u>

**G. Funds Held for Others**

Habitat for Humanity of Lake-Sumter, Florida, Inc. acts as a fiscal agent on behalf of other organizations. As a fiscal agent, the Habitat for Humanity of Lake-Sumter, Florida, Inc. collects and distributes cash on behalf of the other organizations. Habitat for Humanity of Lake-Sumter, Florida, Inc. in its capacity as a fiscal agent, had little or no discretion in determining either the selection of beneficiaries or the use of assets transferred to them by other organizations.

HABITAT FOR HUMANITY OF LAKE-SUMTER, FLORIDA, INC.  
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**H. Line of Credit**

Habitat for Humanity of Lake-Sumter, Florida, Inc. has a line of credit with a balance of \$286,860 which expires December 2021. Interest is payable monthly at 4.25%. Habitat for Humanity of Lake-Sumter, Florida, Inc.'s interest expense for the line of credit was \$12,726 for the year ended June 30, 2021.

Habitat for Humanity of Lake-Sumter, Florida, Inc. has a second line of credit with a balance of \$296,130 which expires March 2026. Interest is payable monthly at 4.4%. Habitat for Humanity of Lake-Sumter, Florida, Inc.'s interest expense for the line of credit was \$2,997 for the year ended June 30, 2021.

**I. Paycheck Protection Loan**

Habitat for Humanity of Lake-Sumter, Florida, Inc. was granted a loan of \$289,600 on April 14, 2020, pursuant to Paycheck Protection Program under Division A, Title I of the CARES Act, enacted March 27, 2020. Once conditions for forgiveness were met and final forgiveness approved, the Organization recognized the income.

Habitat for Humanity of Lake-Sumter, Florida, Inc. was granted a second loan of \$277,960 on February 16, 2021, pursuant to the Paycheck Protection Program under Division A, Title I of the CARES Act.

The Loan matures on February 16, 2026 and bears interest at a rate of 1.0% per annum. The loan may be prepaid any time prior to maturity with no prepayment penalties. Under the terms of the Paycheck Protection Program, certain amounts of the loan may be forgiven if it is used for qualifying expenses as described in the CARES Act. Qualifying expenses are payroll costs, mortgage interest payments, rent, and utilities. The Organization intends to use the entire loan amount for qualifying expenses. The Organization has decided to include the loan balance as a liability until forgiveness has been granted.

**J. Notes Payable**

The following is a summary of notes payable at June 30, 2021:

4.75% note payable to Habitat for Humanity International, Inc., \$4,393 monthly installments with a maturity date of June 2025, secured by mortgage notes receivable.	\$ 212,453
4.75% note payable to Habitat for Humanity International, Inc., \$7,610 quarterly installments with a maturity date of June 2024, secured by mortgage notes receivable.	87,250
4.75% mortgage note, \$2,079 monthly installments with a maturity date of May 2024, secured by real estate	78,243

HABITAT FOR HUMANITY OF LAKE-SUMTER, FLORIDA, INC.  
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5.0% mortgage note, \$636 monthly installments with a maturity date of September 2032, secured by real estate	65,280
1% Paycheck Protection Loan maturing February 2026, eligible for forgiveness.	277,960
5.99% truck loan. \$337 monthly installments with a maturity date of October 2023, secured by vehicle.	<u>8,464</u>
 Total notes payable	 <u><u>\$ 729,650</u></u>

Scheduled principal payments are as follows:

Year ending June 30,	
2022	\$ 379,963
2023	107,013
2024	108,542
2025	65,881
2026 - thereafter	<u>68,251</u>
	<u><u>\$ 729,650</u></u>

**K. Leases**

The Organization has a noncancelable operating lease for equipment that expires in 2021. Rental expense for the lease was \$8,096 for the year ended June 30, 2021.

The Organization leases office space under an operating lease expiring in 2024. Rental expense under the lease was \$32,303 for the year ended June 30, 2021.

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Future minimum lease payments remaining under these operating leases are as follows:

Year Ended June 30,	Equipment	Office Space
2022	\$ 3,466	\$ 33,750
2023	-	33,750
2024	-	33,750
2025	-	33,750
2026	-	-
	\$ 3,466	\$ 135,000

**L. In-Kind Contributions**

The Organization receives numerous in-kind contributions of materials, supplies and land used in the construction and furnishings of homes. Supplies and materials contributed during the year ended June 30, 2021 totaled \$273,445. The Organization also received \$45,321 in donated lots. Contributions of tangible assets and materials are recognized at fair market value when received.

The Organization receives donations of time and effort from volunteers to construct the homes, operate the thrift stores and serve as family partners. The value of these services is not reflected in the financial statements. Last fiscal year, over 600 volunteers contributed their services.

The Organization also receives donations of items which are sold through its two thrift store locations. The value of these items is reflected in the financial statements.

**M. Retirement Plan**

The Organization has a Simple IRA retirement plan funded by employees' voluntary contributions. Starting in May 2012, the Organization may contribute up to 3% of employee earnings or contributions, whichever is less. The Organization contributed \$25,770 to the retirement plan for the year ended June 30, 2021.

**N. Other Matters**

Deposits at FDIC-insured institutions are insured up to \$250,000 per account. At June 30, 2021, the Organization's uninsured bank balances approximated \$286,000.

**O. Subsequent Events**

Subsequent events have been evaluated through January 14, 2022, which is the date the financial statements were available to be issued. No material subsequent events were identified for recognition or disclosure.



HABITAT FOR HUMANITY OF LAKE-SUMTER, FLORIDA, INC.  
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**P. Liquidity and Availability of Financial Assets**

The Organization monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. The Organization has the following financial assets that could readily be made available within one year of the balance sheet date to fund expenses without limitations:

Cash and cash equivalents	\$ 1,171,615
Grants receivable	190,579
Mortgage notes receivable – current portion, unpledged	155,253
Mortgage notes receivable – current portion, pledged	38,036
	<u>\$ 1,555,483</u>