

**MARYLAND INCLUSIVE HOUSING CORPORATION**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**



WEALTH ADVISORY | OUTSOURCING  
AUDIT, TAX, AND CONSULTING

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Maryland Inclusive Housing Corporation  
Silver Spring, Maryland

We have audited the accompanying financial statements of Maryland Inclusive Housing Corporation, which comprise the 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.

### ***Auditors' 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 auditors' 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.

Board of Directors  
Maryland Inclusive Housing Corporation

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Maryland Inclusive Housing Corporation as of June 30, 2021, and the results of its activities and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Greenbelt, Maryland  
November 11, 2021

**MARYLAND INCLUSIVE HOUSING CORPORATION**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2021**

**ASSETS**

Cash	\$ 15,681
Contributions Receivable	232,000
Prepaid Expenses	1,308
Website in Progress	<u>1,980</u>
Total Assets	<u><u>\$ 250,969</u></u>

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts Payable and Accrued Expenses	\$ 23,645
Total Liabilities	<u>23,645</u>

**NET ASSETS**

Without Donor Restrictions	(3,176)
With Donor Restrictions	<u>230,500</u>
Total Net Assets	<u><u>227,324</u></u>

Total Liabilities and Net Assets	<u><u>\$ 250,969</u></u>
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*See accompanying Notes to Financial Statements.*

**MARYLAND INCLUSIVE HOUSING CORPORATION**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2021**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE, SUPPORT, AND GAINS</b>			
Contributions	\$ 150,000	\$ 232,000	\$ 382,000
Net Assets Released from Restrictions	1,500	(1,500)	-
Total Revenue, Support, and Gains	151,500	230,500	382,000
<b>EXPENSES</b>			
Program Expenses	80,478	-	80,478
Management and General	79,023	-	79,023
Total Expenses	159,501	-	159,501
<b>CHANGE IN NET ASSETS</b>	(8,001)	230,500	222,499
Net Assets - Beginning of Year	4,825	-	4,825
<b>NET ASSETS - END OF YEAR</b>	\$ (3,176)	\$ 230,500	\$ 227,324

See accompanying Notes to Financial Statements.

**MARYLAND INCLUSIVE HOUSING CORPORATION**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30,2021**

	<u>Program Expenses</u>	<u>Management and General</u>	<u>Total</u>
Salaries and Related Expenses	\$ 56,625	\$ 61,245	\$ 117,870
Professional Fees	20,574	6,552	27,126
Website	-	6,116	6,116
Office Expenses	2,097	2,062	4,159
Communications	965	1,070	2,035
Insurance	-	1,249	1,249
Miscellaneous	-	683	683
Staff Development	217	46	263
	<u>217</u>	<u>46</u>	<u>263</u>
Total Expenses	<u>\$ 80,478</u>	<u>\$ 79,023</u>	<u>\$ 159,501</u>

*See accompanying Notes to Financial Statements.*

**MARYLAND INCLUSIVE HOUSING CORPORATION**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2021**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in Net Assets	\$ 222,499
Adjustments to Reconcile Change in Net Assets to	
Net Cash Provided by Operating Activities:	
Increase in Assets:	
Contributions Receivable	(232,000)
Prepaid Expenses	(436)
Increase in Liabilities:	
Accounts Payable and Accrued Expenses	21,471
Net Cash Provided by Operating Activities	11,534

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchases of Property and Equipment	(1,980)
Proceeds from Sales of Property and Equipment	-
Net Cash Used by Investing Activities	(1,980)

**NET CHANGE IN CASH**

9,554

Cash - Beginning of Year

6,127

**CASH - END OF YEAR**

\$ 15,681

*See accompanying Notes to Financial Statements.*

**MARYLAND INCLUSIVE HOUSING CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION**

**Organization**

The Maryland Inclusive Housing Corporation (the Corporation) is organized and operates exclusively for charitable, educational, and scientific purposes. Founded in 2019, the Corporation's mission is to help people with intellectual and other development disabilities successfully access and maintain inclusive, affordable, and accessible housing of their choice by creating opportunities, identifying resources, connecting people, and providing services.

**Basis of Presentation**

The Corporation's financial statements are presented in accordance with accounting principles generally accepted in the United States of America for nonprofit organizations. Under those principles, the Corporation is required to report information regarding its financial position and activities according to two classes of net assets:

*Net Assets Without Donor Restrictions* – represent resources that are not subject to donor-imposed restrictions and are available for operations at management's discretion.

*Net Assets With Donor Restrictions* – represent resources restricted by donors. Some donor restrictions are temporary in nature and those restrictions will be met by actions of the Corporation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. When a donor restriction expires, that is, when a purpose restriction is accomplished or time restriction has elapsed, donor-restricted net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the accompanying statement of activities.

**Basis of Accounting**

The Corporation's financial statements are prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses when obligations are incurred.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses and their functional allocation during the reporting period. Actual results could differ from those estimates.

**Income Taxes**

The Corporation is exempt from Federal and local income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar provision of state law. The Corporation is not classified as a private foundation.

**MARYLAND INCLUSIVE HOUSING CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(CONTINUED)**

**Income Taxes (Continued)**

The Corporation's tax returns are subject to review and examination by federal and state authorities. The Corporation is not aware of any activities that would jeopardize its tax-exempt status.

**Contributions Receivable**

Contributions receivable are unconditional promises to give that are recognized as contributions when the promise is received. All contributions receivables are expected to be collected in less than one year.

At June 30, 2021, all receivables are considered collectible; therefore, no allowance for doubtful accounts has been recognized.

**Property, Equipment and Website**

Property and equipment acquisitions are recorded in the financial statements at cost, net of accumulated depreciation or amortization. Depreciation or amortization expense is computed using the straight-line method over the estimated useful lives of the assets as follows:

Website	3 Years
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The Corporation's policy is to capitalize major additions and improvements over \$1,000. Repairs and maintenance which do not significantly add to the value of assets are expensed as incurred. Depreciation expense for the year ended June 30, 2021, was \$-0-.

**Revenue Recognition**

The Corporation recognizes contributions when an unconditional promise to give is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. The Corporation reports contributions as support with donor restrictions if they are received or promised with donor stipulations that limit the use of the donated assets to the Corporation's programs or to a future year. When a donor restriction expires, that is, when a purpose restriction is accomplished or time restriction has elapsed, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statement of activities as net assets released from restrictions.

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of the council are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of estimated time and effort or other reasonable basis.

**MARYLAND INCLUSIVE HOUSING CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(CONTINUED)**

**Subsequent Events**

Management has evaluated subsequent events through November 11, 2021, the date the financial statements were available to be issued.

**NOTE 2 LIQUIDITY AND AVAILABILITY**

The following represents the Corporation's financial assets at June 30, 2021:

Financial Assets at End of Year	
Cash	\$ 15,681
Contributions Receivable	232,000
Total Financial Assets	<u>247,681</u>
Less Amounts Not Available for General Expenditures:	
Purpose-Restricted Amounts	<u>(10,500)</u>
Financial Assets Available to Meet General Expenditure Within One Year	<u><u>\$ 237,181</u></u>

The Corporation's goal is generally to maintain financial assets to meet 90 days of operating expenses.

**NOTE 3 CONCENTRATIONS**

**Revenue and Receivables**

One donor accounted for 100% of the total contribution revenue for year ended June 30, 2021, and contributions receivable as of June 30, 2021.

**NOTE 4 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consisted of the following at June 30, 2021:

Subject to Expenditure for Specified Purpose:	
Community Living Coordinator Training	\$ 10,500
Subject to Passage of Time	<u>220,000</u>
Total Net Assets With Donor Restrictions	<u><u>\$ 230,500</u></u>

**MARYLAND INCLUSIVE HOUSING CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 5 NET ASSETS RELEASED FROM RESTRICTIONS**

The following net assets with donor restrictions were released from donor restrictions by incurring expenses which satisfied the restricted purposes specified by the donors for the year ended June 30, 2021:

Donor-Restricted Grants Released:

Community Living Coordinator Training

\$ 1,500