

AUDITED FINANCIAL STATEMENTS

STATEMENTS OF FINANCIAL POSITION
CLIMB FUND

| | September 30, | | | | | |
|------------------------------------------------------------|-------------------------------|----------------------------|----------------------|-------------------------------|----------------------------|----------------------|
| | 2021 | | | 2020 | | |
| | Without Donor Restrictions | With Donor Restrictions | Total | Without Donor Restrictions | With Donor Restrictions | Total |
| ASSETS | | | | | | |
| Current Assets | | | | | | |
| Cash and cash equivalents | \$ 4,002,500 | \$ 8,872,627 | \$ 12,875,127 | \$ 1,854,516 | \$ 9,595,074 | \$ 11,449,590 |
| Grants receivable | 147,112 | | 147,112 | 115,232 | | 115,232 |
| Accrued interest | | | 0 | 7,629 | | 7,629 |
| Investments, short-term | 4,420,429 | | 4,420,429 | 4,157,428 | | 4,157,428 |
| Loans receivable - current portion | 124,376 | 615,227 | 739,603 | 1,664,262 | 1,247,405 | 2,911,667 |
| Total Current Assets | 8,694,417 | 9,487,854 | 18,182,271 | 7,799,067 | 10,842,479 | 18,641,546 |
| Noncurrent Assets | | | | | | |
| Investments, long-term | 470,434 | | 470,434 | 414,954 | | 414,954 |
| Property and equipment, net | 788,924 | | 788,924 | 823,746 | | 823,746 |
| Loans receivable - noncurrent portion, net of allowance | 3,531,755 | 5,481,031 | 9,012,786 | 2,941,968 | 2,164,079 | 5,106,047 |
| Loans receivable - Angel Oak | 28,742 | | 28,742 | 28,742 | | 28,742 |
| Total Noncurrent Assets | 4,819,855 | 5,481,031 | 10,300,886 | 4,209,410 | 2,164,079 | 6,373,489 |
| TOTAL ASSETS | \$ 13,514,272 | \$ 14,968,885 | \$ 28,483,157 | \$ 12,008,477 | \$ 13,006,558 | \$ 25,015,035 |

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION - Continued
 CLIMB FUND

| | September 30, | | | | | |
|------------------------------------------------------|-------------------------------|----------------------------|----------------------|-------------------------------|----------------------------|----------------------|
| | 2021 | | | 2020 | | |
| | Without Donor Restrictions | With Donor Restrictions | Total | Without Donor Restrictions | With Donor Restrictions | Total |
| LIABILITIES AND NET ASSETS | | | | | | |
| Current Liabilities | | | | | | |
| Accounts payable | \$ 9,953 | | \$ 9,953 | \$ 15,253 | | \$ 15,253 |
| Accrued payroll | 39,283 | | 39,283 | 49,026 | | 49,026 |
| Due to the City of Charleston- current portion | | \$ 490,604 | 490,604 | | \$ 391,991 | 391,991 |
| Loans payable - current portion | 630,942 | 580,298 | 1,211,240 | 1,047,618 | 488,627 | 1,536,245 |
| Total Current Liabilities | 680,178 | 1,070,902 | 1,751,080 | 1,111,897 | 880,618 | 1,992,515 |
| Noncurrent Liabilities | | | | | | |
| Paycheck Protection Program loan | | | 0 | 136,370 | | 136,370 |
| Contingent liability | | 64,722 | 64,722 | | 69,759 | 69,759 |
| Due to the City of Charleston- noncurrent portion | | 1,057,424 | 1,057,424 | | 505,244 | 505,244 |
| Loans payable - noncurrent portion | 1,628,964 | 2,918,099 | 4,547,063 | 1,817,908 | 2,692,022 | 4,509,930 |
| Total Noncurrent Liabilities | 1,628,964 | 4,040,245 | 5,669,209 | 1,954,278 | 3,267,025 | 5,221,303 |
| Total Liabilities | 2,309,142 | 5,111,147 | 7,420,289 | 3,066,175 | 4,147,643 | 7,213,818 |
| Net Assets | | | | | | |
| Without donor restrictions | 11,205,130 | | 11,205,130 | 8,942,302 | | 8,942,302 |
| With donor restrictions | | 9,857,738 | 9,857,738 | | 8,858,915 | 8,858,915 |
| Total Net Assets | 11,205,130 | 9,857,738 | 21,062,868 | 8,942,302 | 8,858,915 | 17,801,217 |
| TOTAL LIABILITIES AND NET ASSETS | \$ 13,514,272 | \$ 14,968,885 | \$ 28,483,157 | \$ 12,008,477 | \$ 13,006,558 | \$ 25,015,035 |

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF ACTIVITIES
CLIMB FUND

| | For the Years Ended September 30, | | | | | |
|---------------------------------------|-----------------------------------|----------------------------|---------------|-------------------------------|----------------------------|---------------|
| | 2021 | | | 2020 | | |
| | Without Donor Restrictions | With Donor Restrictions | Total | Without Donor Restrictions | With Donor Restrictions | Total |
| REVENUES AND OTHER SUPPORT | | | | | | |
| Loan interest income | \$ 539,745 | \$ 181,283 | \$ 721,028 | \$ 410,575 | \$ 213,701 | \$ 624,276 |
| Grant revenue | 1,354,817 | 1,042,572 | 2,397,389 | 399,727 | 459,127 | 858,854 |
| Program income | 164,632 | 9,469 | 174,101 | 126,161 | 4,292 | 130,453 |
| Investment income (loss) | 414,363 | 1,369 | 415,732 | 236,255 | 2,552 | 238,807 |
| Rental income | 25,200 | | 25,200 | 23,600 | | 23,600 |
| Gain on extinguishment of debt | 137,913 | | 137,913 | | | 0 |
| Miscellaneous | 61,668 | | 61,668 | 63,991 | | 63,991 |
| Bad debt recovery | 548,292 | | 548,292 | | | |
| Net assets released from restrictions | 235,870 | (235,870) | 0 | 857,479 | (857,479) | 0 |
| Total Revenues and Other Support | 3,482,500 | 998,823 | 4,481,323 | 2,117,788 | (177,807) | 1,939,981 |
| EXPENSES | | | | | | |
| Program Services | 1,127,865 | | 1,127,865 | 2,351,843 | | 2,351,843 |
| Supporting Services | | | | | | |
| Management and general | 91,807 | | 91,807 | 147,388 | | 147,388 |
| Total Expenses | 1,219,672 | 0 | 1,219,672 | 2,499,231 | 0 | 2,499,231 |
| CHANGE IN NET ASSETS | 2,262,828 | 998,823 | 3,261,651 | (381,443) | (177,807) | (559,250) |
| Net assets at beginning of year | 8,942,302 | 8,858,915 | 17,801,217 | 9,323,745 | 9,036,722 | 18,360,467 |
| NET ASSETS AT END OF YEAR | \$ 11,205,130 | \$ 9,857,738 | \$ 21,062,868 | \$ 8,942,302 | \$ 8,858,915 | \$ 17,801,217 |

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF FUNCTIONAL EXPENSES
 CLIMB FUND

For the Years Ended September 30,

| | 2021 | | | 2020 | | |
|------------------------------------|--------------|---------------------------|--------------|--------------|---------------------------|--------------|
| | Program | Management and General | Total | Program | Management and General | Total |
| Salaries | \$ 519,881 | \$ 57,764 | \$ 577,645 | \$ 603,041 | \$ 66,467 | \$ 669,508 |
| Payroll taxes and fringe benefits | 115,621 | 12,847 | 128,468 | 154,200 | 16,822 | 171,022 |
| Total Salary Related Expenses | 635,502 | 70,611 | 706,113 | 757,241 | 83,289 | 840,530 |
| Professional fees | 127,193 | 7,852 | 135,045 | 88,634 | 11,671 | 100,305 |
| Interest expense | 122,899 | | 122,899 | 87,751 | | 87,751 |
| Insurance | | 10,004 | 10,004 | | 21,774 | 21,774 |
| Bad debt expense | 101,994 | | 101,994 | 1,323,209 | | 1,323,209 |
| Property expenses | 19,252 | | 19,252 | 12,718 | 737 | 13,455 |
| Other expense | 86,203 | 3,340 | 89,543 | 47,447 | 29,917 | 77,364 |
| Total Expenses Before Depreciation | 1,093,043 | 91,807 | 1,184,850 | 2,317,000 | 147,388 | 2,464,388 |
| Depreciation | 34,822 | | 34,822 | 34,843 | | 34,843 |
| TOTAL FUNCTIONAL EXPENSES | \$ 1,127,865 | \$ 91,807 | \$ 1,219,672 | \$ 2,351,843 | \$ 147,388 | \$ 2,499,231 |

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
CLIMB FUND

| | For the Years Ended September 30, | |
|------------------------------------------------------------------------------------------------|--------------------------------------|----------------------|
| | 2021 | 2020 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Change in net assets | \$ 3,261,651 | \$ (559,250) |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | | |
| Gain on extinguishment of debt | (137,913) | 0 |
| Paycheck Protection Program interest forgiven | 1,543 | 0 |
| Depreciation | 34,822 | 34,843 |
| Bad debt provision | (841,139) | 1,140,573 |
| Realized and unrealized (gains) and losses on investments | (311,943) | (68,763) |
| Change in operating assets and liabilities: | | |
| (Increase) decrease in grants receivable | (31,880) | 134,375 |
| (Increase) decrease in accrued interest | 7,629 | (7,629) |
| Increase (decrease) in accounts payable | (5,300) | 15,253 |
| Increase (decrease) in accrued payroll | (9,743) | 9,468 |
| Increase in due to City of Charleston | 650,793 | 36,669 |
| Increase (decrease) in contingent liability | (5,037) | 69,759 |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 2,613,483 | 805,298 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchases of investments | (1,470,458) | (2,623,745) |
| Proceeds from the sale of investments | 1,457,006 | 3,825,090 |
| Loans issued | (5,286,184) | (5,132,467) |
| Proceeds from repayment of loan receivable principal | 4,399,561 | 1,917,134 |
| NET CASH USED IN INVESTING ACTIVITIES | (900,075) | (2,013,988) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from Paycheck Protection Program loan | 0 | 136,370 |
| Proceeds from loans payable | 1,283,333 | 1,580,012 |
| Principal payments on loans payable | (1,571,204) | (215,335) |
| NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES | (287,871) | 1,501,047 |
| NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH | 1,425,537 | 292,357 |
| Cash, cash equivalents and restricted cash at beginning of year | 11,449,590 | 11,157,233 |
| CASH, CASH EQUIVALENTS AND RESTRICTED CASH AT END OF YEAR | \$ 12,875,127 | \$ 11,449,590 |
| Cash and cash equivalents - unrestricted | \$ 4,002,500 | \$ 1,854,516 |
| Cash and cash equivalents - restricted | 8,872,627 | 9,595,074 |
| TOTAL CASH, CASH EQUIVALENTS AND RESTRICTED CASH | \$ 12,875,127 | \$ 11,449,590 |
| SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION | | |
| Interest paid | \$ 122,899 | \$ 87,751 |
| SUPPLEMENTAL DISCLOSURE OF NON-CASH FINANCING ACTIVITIES | | |
| Paycheck Protection Program loan principal forgiven | \$ 136,370 | \$ 0 |

The accompanying notes are an integral part of these financial statements.