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VISIONS FOR CREATIVE HOUSING SOLUTIONS, INC.

FINANCIAL REPORT

DECEMBER 31, 2020



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Visions For Creative Housing Solutions, Inc.

We have audited the accompanying financial statements of Visions For Creative Housing Solutions, Inc. (a New Hampshire non-profit organization), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years 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 audits. We conducted our audits 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.

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A.M. PEISCH & COMPANY, LLP

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Visions For Creative Housing Solutions, Inc. as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A. M. Peisch & Company LLP

West Lebanon, New Hampshire
October 15, 2021
NH Reg. No. 00157

VISIONS FOR CREATIVE HOUSING SOLUTIONS, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

ASSETS	2020	2019
CURRENT ASSETS		
Cash and cash equivalents	\$ 289,065	\$ 91,138
Cash - with donor restrictions	80,249	195,233
Total cash, cash equivalents, and restricted cash	369,314	286,371
Accounts receivable	90,380	72,829
Pledges receivable, current portion	60,907	-
Prepaid expenses	25,093	14,717
Total current assets	545,694	373,917
FIXED ASSETS		
Land	442,189	442,189
Buildings and improvements	1,597,389	1,597,389
Equipment and machinery	6,597	2,459
Vehicles	22,106	22,106
Construction-in-process	727,709	27,442
	2,795,990	2,091,585
Less: accumulated depreciation	(149,018)	(96,727)
Total fixed assets	2,646,972	1,994,858
OTHER ASSETS		
Deposits	1,271	25,971
Pledges receivable, long term portion	15,000	-
Restricted escrows and reserves	46,478	36,224
Total other assets	62,749	62,195
 Total assets	 \$ 3,255,415	 \$ 2,430,970
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 48,229	\$ 7,694
Accrued expenses	26,978	18,472
Deferred revenue	1,786	1,326
Tenant security deposits	-	4,700
Long-term debt, current portion	235,346	34,288
Total current liabilities	312,339	66,480
LONG-TERM LIABILITIES		
Long-term debt, net of current portion	872,871	908,216
Total long-term liabilities	872,871	908,216
Total liabilities	1,185,210	974,696
COMMITMENTS AND CONTINGENCIES (See Notes)		
NET ASSETS		
Without donor restrictions	2,012,939	1,261,041
With donor restrictions	57,266	195,233
Total net assets	2,070,205	1,456,274
 Total liabilities and net assets	 \$ 3,255,415	 \$ 2,430,970

See accompanying notes.

VISIONS FOR CREATIVE HOUSING SOLUTIONS, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
Grants	\$ 101,625	\$ 312,416	\$ 414,041
Contributions	76,073	220,525	296,598
Contributions in-kind	300	6,360	6,660
Program income	690,379	-	690,379
Interest income	260	-	260
Other revenues	1,803	-	1,803
Total revenues and other support	870,440	539,301	1,409,741
NET ASSETS RELEASED FROM RESTRICTIONS	677,268	(677,268)	-
EXPENSES			
Program services	585,865	-	585,865
Management and general	176,600	-	176,600
Fundraising	33,345	-	33,345
Total expenses	795,810	-	795,810
Change in net assets	751,898	(137,967)	613,931
NET ASSETS, beginning of year	1,261,041	195,233	1,456,274
NET ASSETS, end of year	\$ 2,012,939	\$ 57,266	\$ 2,070,205

See accompanying notes.

VISIONS FOR CREATIVE HOUSING SOLUTIONS, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
Grants	\$ 51,192	\$ 73,500	\$ 124,692
Contributions	41,623	169,175	210,798
Contributions in-kind	924,700	-	924,700
Program income	648,038	-	648,038
Interest income	51	-	51
Other revenues	7,560	-	7,560
Total revenues and other support	1,673,164	242,675	1,915,839
NET ASSETS RELEASED FROM RESTRICTIONS	47,442	(47,442)	-
EXPENSES			
Program services	521,650	-	521,650
Management and general	184,104	-	184,104
Fundraising	19,697	-	19,697
Total expenses	725,451	-	725,451
Change in net assets	995,155	195,233	1,190,388
NET ASSETS, beginning of year	265,886	-	265,886
NET ASSETS, end of year	\$ 1,261,041	\$ 195,233	\$ 1,456,274

See accompanying notes.

VISIONS FOR CREATIVE HOUSING SOLUTIONS, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020			
	Program Services	Management and General	Fundraising	Total
Salaries and wages	\$ 377,316	\$ 100,711	\$ 17,483	\$ 495,510
Payroll taxes and benefits	37,536	10,000	1,724	49,260
Professional fees	12,530	16,923	1,381	30,834
Advertising and marketing	-	3,108	-	3,108
Office expense	-	1,988	72	2,060
Information technology	1,303	372	546	2,221
Occupancy	40,798	10,869	1,874	53,541
Travel expense	15,308	801	-	16,109
Interest	12,534	3,339	576	16,449
Insurance	23,868	12,836	859	37,563
Food and supplies	23,755	-	-	23,755
Contract labor	416	-	-	416
Miscellaneous	958	963	-	1,921
Postage and printing	-	2,373	110	2,483
Dues and subscriptions	-	625	-	625
Staff expenses	180	775	-	955
Direct fundraising expenses	-	-	5,252	5,252
Bank fees	68	448	1,663	2,179
Total expenses before depreciation	546,570	166,131	31,540	744,241
Depreciation	39,295	10,469	1,805	51,569
Total expenses	\$ 585,865	\$ 176,600	\$ 33,345	\$ 795,810

	2019			
	Program Services	Management and General	Fundraising	Total
Salaries and wages	\$ 336,872	\$ 121,687	\$ 11,276	\$ 469,835
Payroll taxes and benefits	26,429	9,547	885	36,861
Professional fees	34,826	9,391	1,439	45,656
Advertising and marketing	-	5,083	-	5,083
Office expense	286	1,734	-	2,020
Information technology	-	2,416	421	2,837
Occupancy	23,664	8,548	792	33,004
Travel expense	26,848	-	-	26,848
Interest	12,733	4,599	426	17,758
Insurance	19,057	10,657	482	30,196
Food and supplies	19,270	-	-	19,270
Contract labor	1,512	-	-	1,512
Miscellaneous	1,490	812	-	2,302
Postage and printing	15	516	220	751
Dues and subscriptions	-	929	-	929
Staff expenses	-	1,298	-	1,298
Direct fundraising expenses	-	-	3,134	3,134
Bank fees	59	172	-	231
Total expenses before depreciation	503,061	177,389	19,075	699,525
Depreciation	18,589	6,715	622	25,926
Total expenses	\$ 521,650	\$ 184,104	\$ 19,697	\$ 725,451

See accompanying notes.

VISIONS FOR CREATIVE HOUSING SOLUTIONS, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 613,931	\$ 1,190,388
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	51,569	25,926
Donations of fixed assets received	(6,360)	(824,700)
Donation of long-term debt forgiveness	-	(100,000)
(Increase) decrease in assets:		
Accounts receivable	(17,551)	30,868
Pledges receivable	(75,907)	-
Prepaid expenses	(10,376)	(4,135)
Deposits	24,700	(25,646)
Restricted escrows and reserves	(10,254)	(36,224)
(Decrease) increase in liabilities:		
Accounts payable	40,535	5,143
Accrued expenses	8,506	501
Deferred revenue	460	(43,382)
Tenant security deposits	(4,700)	4,700
Net cash provided by operating activities	<u>614,553</u>	<u>223,439</u>
 CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of fixed assets	<u>(697,323)</u>	<u>(369,008)</u>
Net cash used by investing activities	<u>(697,323)</u>	<u>(369,008)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from long-term debt	200,000	370,511
Repayment of long-term debt	<u>(34,287)</u>	<u>(46,221)</u>
Net cash provided by financing activities	<u>165,713</u>	<u>324,290</u>
 Net increase in cash, cash equivalents, and restricted cash	82,943	178,721
 Cash, cash equivalents, and restricted cash, beginning of year	<u>286,371</u>	<u>107,650</u>
 Cash, cash equivalents, and restricted cash, end of year	<u>\$ 369,314</u>	<u>\$ 286,371</u>
 SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
 Cash paid during the year for interest	<u>\$ 16,449</u>	<u>\$ 17,758</u>

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities

Visions For Creative Housing Solutions, Inc. (VFCHS) is incorporated under the laws of New Hampshire as a non-profit corporation. Its mission is to provide residential options, services and support designed to meet the needs of adults with developmental disabilities and similar disabling conditions. It is dedicated to fostering growth and independence through vocational, social, and recreational opportunities.

Note 2. Summary of Significant Accounting Policies

Basis of presentation: Under U.S. generally accepted accounting principles, VFCHS reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions represent funds that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of VFCHS. Net assets without donor restrictions at December 31, 2020 and 2019 were \$2,012,939 and \$1,261,041, respectively.

Net assets with donor restrictions are funds subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of VFCHS or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities and changes in net assets. Net assets with donor restrictions at December 31, 2020 and 2019 were \$57,266 and \$195,233, respectively.

Revenue recognition: The financial statements of VFCHS reflect the accrual method of accounting. Revenues are reported as increases in net assets without donor restrictions unless the use of those assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions.

Revenue from contracts with residents: VFCHS recognizes revenue from residents during the period in which the related services are provided. The performance obligation of delivering room and board, including utilities, internet and cable, meals, and personal services as required for health, safety, and well-being of residents is simultaneously received and consumed by the residents; therefore revenue is recognized month to month as fees are assessed and paid.

Deferred revenue: VFCHS recognizes revenues when earned. Revenue received in advance of services being provided is reported as a liability under “deferred revenue”.

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 certain reported amounts and disclosures in the financial statements. Accordingly, actual results could differ from those estimates.

Note 2. Summary of Significant Accounting Policies (continued)

Cash, cash equivalents, and restricted cash: For purposes of reporting cash flows, VFCHS considers all highly liquid investment instruments purchased with an original maturity of three months or less to be cash equivalents. As of December 31, 2020 and 2019, VFCHS had no cash equivalents.

Assets restricted on the statement of financial position include restricted cash received with donor-imposed restrictions that limit the use of that cash for the purpose of the capital campaign for the purchase of a building, and completion of renovations and maintenance.

Accounts receivable: Accounts receivable are primarily program funding amounts due from Developmental Services of Sullivan County, Inc. Funds are provided based on incurred residential costs and other support service expenses. Receivables are considered past due based on the terms of the underlying agreement and due date. VFCHS does not require collateral on accounts receivable. Management considers the individual circumstances of each accounts receivable when determining the collectability of these balances. The allowance for doubtful accounts was \$-0- as of December 31, 2020 and 2019.

Pledges receivable and recognition of donor restricted contributions: Contributions are recognized when the donor makes a promise to give to VFCHS 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 net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. VFCHS uses the allowance method to determine uncollectible unconditional promises to give. The allowance is based on prior years' experience and management's analysis of specific promises made.

Capitalization policy: Equipment or other asset purchases with a dollar value of \$1,000 or more are capitalized at cost, or if donated, at the approximate fair value at the date of donation. Depreciation is computed over the estimated useful life of the property using primarily the straight-line method. Expenditures for major renewals and improvements that extend the useful lives of property and equipment are capitalized. Expenditures for repairs and maintenance are expensed as incurred.

Gifts and donations: Gifts and donations received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Donated services: Amounts have been reflected in the financial statements for donated services that either expand or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by VFCHS.

Donations of services recorded for the years ended December 31, 2020 and 2019 were \$6,360 and \$-0-, respectively. Some individuals also volunteer time and perform tasks that assist VFCHS in providing program services. These amounts are not recorded in the financial statements.

Note 2. Summary of Significant Accounting Policies (continued)

Functional expenses: The financial statements report categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Expenses that are allocated include salaries and wages, payroll taxes, occupancy, interest, and depreciation. These expenses have been allocated based on Management's estimate of personnel time and effort for each respective function.

Concentration of risk: VFCHS maintains its cash and cash equivalents in various bank accounts which at times may exceed federally insured limits. VFCHS has not experienced any losses with these accounts. Management considers this a normal business risk.

VFCHS receives annual funding from Pathways of the River Valley (Pathways) for support of their residents. These payments represented 38% of revenues and other support for the year ended December 31, 2020 and 28% for the year ended December 31, 2019. VFCHS signs an annual contract with Pathways which runs on a fiscal year of July to June, and provides an annual budgeted support amount for each of VFCHS' residents.

Advertising expense: Advertising costs are charged to operations when incurred. Advertising expense was \$3,108 and \$5,083 for the years ended December 31, 2020 and 2019, respectively.

Income taxes: VFCHS is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no income tax liability has been recorded in the financial statements. Although VFCHS is not currently the subject of tax examination by the Internal Revenue Service (IRS), VFCHS' tax years ended December 31, 2018 through 2020 are open to examination by the IRS under the applicable statute of limitations.

New accounting pronouncements: In May 2014, FASB issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606). The standard addresses revenue recognition guidance to remove inconsistencies and weaknesses in revenue requirements, provide a more robust framework for addressing revenue issues, improve comparability of revenue recognition practices across entities and industries, and provide more useful information to users of financial statements through improved disclosure requirements. Analysis of various provisions of this standard resulted in no significant changes in the way VFCHS recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis.

In June 2018, FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958), *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The standard clarifies and improves accounting guidance in evaluating whether transactions should be accounted for as contributions or as exchange transactions. In addition, the standard also clarifies and improves guidance in determining whether a contribution is conditional. The standard is applied on a modified prospective basis. Adoption of this standard did not result in a material impact on VFCHS' financial statements.

Note 2. Summary of Significant Accounting Policies (continued)

Upcoming accounting pronouncements: In September 2020, FASB issued ASU 2020-07, Not-for-Profit Entities (Topic 958), *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The standard's objective is to increase the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure. The standard is effective for annual reporting periods beginning after June 15, 2021.

Note 3. Liquidity and Availability

VFCHS has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. VFCHS' primary sources of support are contributions, grants, and program services. Most of that support is held for the purpose of supporting VFCHS' budget.

Financial assets available for general expenditure, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	2020	2019
Cash and cash equivalents	\$ 289,065	\$ 91,138
Accounts receivable	90,380	72,829
Pledges receivable	45,595	-
	<u>\$ 425,040</u>	<u>\$ 163,967</u>

In addition to financial assets available to meet general expenditures over the next 12 months, VFCHS operates with a balanced budget and anticipates collecting sufficient public support and revenue to cover general expenditures. Refer to the statement of cash flows which identifies the sources and uses of VFCHS' cash and shows positive cash generated by operations for the years ended December 31, 2020 and 2019.

Note 4. Pledges Receivable

Pledges receivable at December 31 are as follows:

	2020	2019
Receivable in less than one year, without donor restrictions	\$ 30,595	\$ -
Receivable in less than one year, with donor restrictions	30,312	-
Receivable in one to five years, without donor restrictions	15,000	-
	<u>\$ 75,907</u>	<u>\$ -</u>

The allowance for uncollectible pledges receivable was \$-0- at December 31, 2020 and 2019.

No discount rate has been used on long-term pledges receivable as management believes the discounts to net present value in the current rate environment for any remaining receivable would be immaterial.

Note 5. Tenant Security Deposits Held In Trust

As a condition of the purchase of the South Park, Hanover, NH property, existing tenants were required to make security deposits equal to one month's rent. As of December 31, 2020 and 2019, tenant security deposits held by VFCHS were \$-0- and \$4,700, respectively.

Note 6. Restricted Escrows and Reserves

Cash balances were restricted at December 31, 2020 and 2019, according to a regulatory agreement entered into with New Hampshire Housing Finance Authority (NHHFA) and VFCHS totaling \$35,442 and \$30,264, respectively. Additionally, at December 31, 2020 and 2019 there was a restricted replacement reserve of \$11,036 and \$5,960, respectively. These restricted accounts are a requirement of the NHHFA mortgage loan and will remain as an asset of VFCHS once the loan is repaid.

Note 7. Long-Term Debt

VFCHS' obligations under long-term debt consisted of the following as of December 31:

	<u>2020</u>	<u>2019</u>
Sylvia Dow, due in monthly installments of \$3,992, including interest at 2.44%, secured by mortgage on real estate - 8 Sunrise Farm Lane, Enfield NH (carrying value of \$1,101,508). Due December 2033.	\$ 534,009	\$ 566,016
New Hampshire Housing Finance Authority, 0% interest, no principal paid until project is sold, refinanced or becomes non-compliant with conditions. Secured by mortgage on real estate - 8 Sunrise Farm Lane, Enfield NH (carrying value of \$1,101,508). Due February 2049.	370,511	370,511
Mascoma Bank, 3.9% interest, no principal paid until maturity, accrued unpaid interest due in quarterly installments. Secured by all business assets. Due November 2021.	200,000	-
Ford Motor Credit, due in monthly installments of \$237, including interest at 11.19%, secured by lien on vehicle - Ford CMax (carrying value of \$4,249). Due May 2022.	3,697	5,977
	<u>1,108,217</u>	<u>942,504</u>
Less: current portion	235,346	34,288
	<u>\$ 872,871</u>	<u>\$ 908,216</u>

Note 7. Long-Term Debt (continued)

The long-term debt is due to mature as follows:

2021	\$ 235,346
2022	37,346
2023	37,091
2024	38,006
2025	38,944
Thereafter	721,484
	<u>\$ 1,108,217</u>

Interest expense for the years ended December 31, 2020 and 2019 on long-term debt was \$16,449 and \$17,758, respectively.

Note 8. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes as of December 31:

	<u>2020</u>	<u>2019</u>
Capital Campaign - Green Street, Lebanon, NH	\$ 29,266	\$ 168,233
Capital Campaign - Green Street, Handicap Access Ramp	28,000	-
Outreach House - Park Street, Hanover, NH	-	27,000
	<u>\$ 57,266</u>	<u>\$ 195,233</u>

Net assets were released from donor restrictions by incurring expenses or satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors. Net assets were released from donor restrictions for the years ended December 31:

	<u>2020</u>	<u>2019</u>
Capital Campaign - Green Street, Lebanon, NH	\$ 650,268	\$ 47,442
Outreach House - Park Street, Hanover, NH	27,000	-
	<u>\$ 677,268</u>	<u>\$ 47,442</u>

Note 9. Commitments and Contingencies

Grants often require the fulfillment of certain conditions as set forth in the donative instruments. Failure to fulfill the conditions could result in the return of the funds to the grantor. Although the return of the funds is a possibility, the Board of Directors deems the contingency unlikely, since by accepting gifts and their terms, it has made a commitment to fulfill provisions of the gift.

Note 10. Related-Party Transactions

VFCHS has a promissory note payable to the Executive Director, with an interest rate of 2.44% on the unpaid principal balance. The note is secured by a mortgage on 8 Sunrise Farm Lane, and is due on April 1, 2036. VFCHS obligations to the Executive Director at December 31, 2020 and 2019 were \$534,009 and \$566,016, respectively.

During 2019, VFCHS received a donation of debt forgiveness on the above mentioned note payable from the Executive Director, in the amount of \$100,000. This amount was recognized in the statement of activities and changes in net assets as contributions in-kind.

Note 11. Subsequent Events

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact net income. Other financial impact could occur though such potential impact is unknown at this time.

On April 5, 2021, VFCHS borrowed \$100,503 from Mascoma Bank as a preferred SBA lender under the Paycheck Protection Program (“PPP”). The loan carries a 1% interest rate, is due April 17, 2026, and may be used to pay for payroll expense. The loan is expected to be forgiven as specified under the terms of the PPP.

Subsequent events were evaluated through October 15, 2021, which is the date the financial statements were available to be issued.