

Rock Hill Economic Development Corporation

2021 Report to Board of Directors
February 7, 2023



RHEDC

Agenda

- ▶ Required Auditor Communications
- ▶ Summary of Financial Statements
- ▶ Questions and Comments

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Required Auditor Communications

- ▶ Unmodified opinion rendered on financial statements
- ▶ Planned scope and timing of audit
- ▶ No change in accounting policies
- ▶ Accounting estimates appear reasonable
- ▶ Issued internal control communication – two key controls addressed [[See Internal Control Letter](#)]
- ▶ Audit adjustments – Multiple [[See Governance Letter](#)]
- ▶ Passed adjustments – 1) consolidating 2) bad debt expense
- ▶ No disagreements with management
- ▶ No consultations with other independent accountants
- ▶ Significant delays in obtaining sufficient appropriate evidence
- ▶ Full cooperation from all personnel

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Summary of Financial Position

ASSETS

	<u>2021</u>	<u>2020</u>
Cash	\$ 2,651,062	\$ 3,168,170
Receivables	369,791	269,961
Real estate held for resale	593,228	593,228
Real estate under development	2,378,810	2,377,453
Other assets	<u>526,695</u>	<u>595,956</u>
TOTAL ASSETS	<u>\$ 6,519,586</u>	<u>\$ 7,004,768</u>

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Summary of Financial Position

LIABILITIES AND NET ASSETS

Liabilities	<u>2020</u>	<u>2019</u>
Accounts payable	\$ 112,156	\$ 235,242
Other current liabilities	176,901	28,630
Long-term debt, net of current portion	1,058,943	1,649,303
Liabilities on properties available for sale	<u>312,500</u>	<u>312,500</u>
TOTAL LIABILITIES	1,660,500	2,225,675
Net Assets		
Without donor restrictions	4,738,750	4,126,687
With donor restrictions	<u>120,336</u>	<u>652,406</u>
TOTAL NET ASSETS	4,859,086	4,779,093
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 6,519,586</u></u>	<u><u>\$ 7,004,768</u></u>

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Summary Statement of Activities

	<u>2021</u>	<u>2020</u>
Revenue		
Grants and Contributions	\$ 114,701	\$ 148,374
Program Income, real estate	603,360	4,012,523
Program income, other	38,269	135,085
Gifts-in-kind	122,395	118,313
Interest	2,218	10,277
Gain (loss) on investments	<u>(9,572)</u>	<u>(4,542)</u>
Total Revenue	871,371	4,420,030
Expenses		
Cost of real estate sold	512,060	4,590,965
Assistance to others	30,423	28,692
Contract services	83,160	188,288
General program expenses	21,073	11,179
Office expenses	2,243	5,416
Interest expense	-	6,229
Donated goods and services	122,395	118,313
Other expenses	<u>20,024</u>	<u>112,662</u>
Total Expenses	791,378	5,061,744
Change in net assets	<u>\$ 79,993</u>	<u>\$ (641,714)</u>

Relay
Questions and Comments to
wdrinnon@burkettcpas.com or
to the Finance Committee

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