

Capital Impact Partners and Subsidiaries and CDC Small Business Finance Corp.

Consolidated and Combined Statements of Financial Position

December 31, 2022 and 2021

Assets	2022	2021
Cash and cash equivalents – unrestricted	\$83,195,840	\$104,740,742
Cash and cash equivalents – restricted	27,874,808	32,600,771
Accounts and interest receivable, net	10,421,120	8,398,611
Contributions receivable	2,600,000	250,000
Investments	42,827,639	34,388,838
Mortgage Backed Securities	29,230,723	59,429,070
Loans receivable	439,517,636	437,643,649
Less: allowance for loan losses	(17,296,744)	(17,211,649)
Loans receivable, net	422,220,892	420,432,000
Loans receivable – subsidiaries	20,227,669	27,105,392
Loans available for sale	2,650,133	2,533,980
Other assets	12,104,394	11,678,968
Right of use assets	8,670,535	9,732,531
Total assets	\$662,023,753	\$711,290,903
Liabilities and net assets		
Liabilities:	2022	2021
Accounts payable and accrued expenses	\$14,000,177	\$12,415,011
Refundable advance liability	6,172,250	6,694,569
Loan loss reserve for PCLP program	968,193	961,822
Due to Small Business Administration	159,957	129,182
Deposits	543,596	1,456,549
Revolving lines of credit	46,000,000	-
Notes payable	75,084,573	103,321,940
Investor Notes, net	201,306,219	183,197,579
Subordinated debt	2,500,000	2,500,000
Federal Home Loan Bank borrowing	24,000,000	47,271,304
Bond loan payable	5,000,000	58,849,113
Notes payable – subsidiaries	24,193,922	27,384,895
Other borrowings	456,488	917,610
Lease liabilities	11,419,917	12,603,602
Total liabilities	411,805,292	457,703,176
Net assets	2022	2021
Without donor restrictions	174,774,158	179,525,038
Noncontrolling interest in consolidated subsidiaries	20,572,345	20,572,345
Total without donor restrictions	195,346,503	200,097,383
With donor restrictions	54,871,958	53,490,344
Total net assets	250,218,461	253,587,727
Total liabilities and net assets	\$662,023,753	\$711,290,903

See notes to consolidated financial statements.

Capital Impact Partners and Subsidiaries and CDC Small Business Finance Corp.

Consolidated and Combined Statements of Activities and Changes in Net Assets

Years Ended December 31, 2022 and 2021

Changes in net assets without donor restrictions:	2022	2021
Financial activity:		
Financial income:		
Interest income on loans	\$26,726,235	\$26,685,255
Loan fees	723,032	751,999
Investments loss, net	(4,337,840)	(387,014)
Gain (loss) on equity method investments	(466,532)	110,112
Gain (loss) on NMTC unwind	(21,845)	23,600
Total financial income	22,623,050	27,183,952
Financial expense:		
Interest expense	11,355,356	11,602,812
Provision for (recovery of) loan losses	1,028,455	(168,503)
Total financial expense	12,383,811	11,434,309
Net financial income	10,239,239	15,749,643
Revenue and support:		
Net processing and servicing fees	20,758,091	27,271,660
Fees	1,427,391	1,030,142
Asset management fees from investments	125,097	-
Contract revenue	719,570	57,648
Contributions	9,687,213	2,833,333
Gain on sale of 7a loans	2,248,329	1,639,593
Software licensing and support	3,222,595	2,893,805
Gain on debt extinguishment	6,452,689	-
Other income	2,092,529	1,646,915
Net assets released from donor restrictions	16,672,408	16,557,724
Total revenue and support	63,405,912	53,930,820
Non-financial Expenses:		
Innovative community lending program	51,367,175	39,836,412
Total non-financial program expenses	51,367,175	39,836,412
Support expenses:		
Management and general	23,232,115	17,377,339
Fundraising	1,816,096	1,604,226
Total non-financial expenses	76,415,386	58,817,977
Changes in net assets without donor restrictions:		
Change in net assets without donor restrictions before noncontrolling interest activities	(2,770,235)	10,862,486
Noncontrolling interest – distributions	(982,311)	(980,200)
Changes in net assets without donor restrictions:	(3,752,546)	9,882,286
Change in net assets with donor restrictions:		
Investment income, net	77,325	30,639
Contributions and grant revenue	16,978,363	29,884,485
Net assets released from donor restrictions	(16,672,408)	(16,557,724)
Change in net assets with donor restrictions	383,280	13,357,400
Change in net assets	(3,369,266)	23,239,686
Net assets, beginning	253,587,727	230,348,041
Net assets, ending	\$250,218,461	\$253,587,727

See notes to consolidated financial statements.